CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

United Kingdom balance of payments: preliminary figures for the third quarter of 1984

The effect of taxes and benefits on household income 1983

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Release dates of economic statistics to be published in January 1985

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in January 1985. The dates are targets which are correct at time of going to press. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
January			
Wed 2	New vehicle registrations (November)	PN	Dept of Transport
Thur 3	UK official reserves (December)	PN	HMT
	Overseas travel and tourism (October)	PN	DTI
	Unemployment and unfilled vacancies (December)	PN	Dept of Employment
	Unemployment and unfilled vacancies (November detail)	Gazette	Dept of Employment
	Capital issues and redemptions (during the month of December)	PN	Bank of England
Fri 4	Car and commercial vehicle production (November-final)	British Business	DTI
	Finished steel consumption and stock changes (3rd qtr- final)		
Mon 7	Personal income expenditure and saving (3rd quarter)	PN	CSO
	Industrial and commercial companies appropriation account (3rd quarter)		
	Credit business (November)	PN	DTI
	Retail sales (November-final)		
Tues 8	Provisional estimates of monetary aggregates (Mid-December)	PN	Bank of England
	London clearing banks' monthly statement	PN	CLCB
Wed 9	Housing starts and completions November	PN	Dept of the Environment
	Slum clearance (1983/4)		
	Advance energy statistics (November)	PN	Dept of Energy
	Quarterly analysis of bank advances (Mid-November)	PN	Bank of England
Thur 10	Provisional figures of vehicle production (December)	PN	DTI
Fri 11	Usable steel production (December)	PN	BSC/BISPA
	Building Societies' monthly figures (December)	PN	BSA
Sun 13	Dept for National Savings Monthly progress report (December)	PN	Dept for National Savings
Mon 14	Producer price index numbers (December provisional)	PN	DTI
	Retail sales		
Wed 16	Index of production and construction for Wales (3rd quarter provisional)	PN	Welsh Office
	CBI/FT survey of distributive trades (Mid-December)	PN	CBI
	Average earnings indices; employment hours and unit wage costs (November provisional)	PN	Dept of Employment
Thur 17	Preliminary estimates of consumers' expenditure (4th quarter provisional)	PN	CSO
	Index of output of the production industries (November)		
	Public sector borrowing requirement (December)		CSO/HMT
	UK banks assets and liabilities and the money stock (December)	PN	Bank of England
	London sterling certificates of deposit (December)		
Fri 18	Industrial and commercial companies capital account and net borrowing requirement (3rd quarter)	PN	CSO
	Tax and price index (December)		
	Retail prices index (December)	PN	Dept of Employment
Mon 21	Cyclical indicators for the UK economy (December)	PN	CSO
	Institutional investment (3rd quarter)		
	Capital expenditure by the manufacturing and service industries (3rd quarter provisional)	PN	DTI
	Manufacturers' and distributors stock (3rd quarter provisional)		
Fri 25	Balance of payments current account and overseas trade figures (December)	PN	DTI/CSO
	Sales and orders in the engineering industries (October)	British Business	DTI
Tues 29	CBI Industrial Trends Survey (January)	PN	CBI
Wed 30	Construction - new orders (November)	PN	Dept of the Environment
Thur 31	Bricks and cement production (4th quarter)	PN	Dept of the Environment
	Energy Trends (November)	PN	Dept of Energy
	Unemployment and unfilled vacancies (January)	PN	Dept of Employment
	Employment and earnings by industry (November provisional)	Gazette	Dept of Employment
	Unemployment and unfilled vacancies (December detail)		
	Overseas travel and tourism (November)	PN	DTI

PN—Press Notice

CENTRAL STATISTICAL OFFICE

Economic Trends

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Introduction

Economic Trends brings together all the main economic indicators.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 22 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 14 December. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

5. 'Billion' denotes one thousand millions.

6. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.

Symbols used:

..	not available or not meaningful
—	nil or less than half the final digit shown
§	series for which measures of variability are given on page 70
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

International comparisons of taxes and social security contributions
This annual article normally published this month, will not be available until February 1985. This is because the OECD national accounts publication which provides most of the data has been redesigned this year and this has delayed its publication.

The Editor would welcome readers' suggestions for improvements to *Economic Trends*

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Latest developments in the economy[1]

Data available at 24 December 1984

Gross domestic product

The provisional estimate of the average measure of gross domestic product (GDP) at constant factor cost for the third quarter of 1984 was 1½ per cent higher than a year earlier. However, the comparison with 1983 is affected by the coal strike which has depressed GDP by up to 1½ per cent in the second and third quarters of 1984.

Output

The output measure of GDP, considered to be the best indicator of short-term movements, rose by ½ per cent between the second and third quarters of 1984; in the third quarter it was some 1½ per cent higher than a year earlier despite the coal strike. It is estimated that the strike reduced the level of the output measure of GDP by about ½ per cent in the first quarter and by about 1¼ to 1½ per cent in the the second and third quarters of 1984. Most of the reduction was the direct result of the loss of coal production. Output of the production industries was broadly unchanged between the second and third quarters, while construction output was 3 per cent higher. Most of the service industries showed some growth between the second and third quarters of 1984.

Output of the production industries is provisionally estimated to have risen by 1 per cent in the three months to October compared with the previous three months. It is estimated that the coal strike reduced the level of industrial production by around 3½ per cent in both the latest and previous three-month periods, much the greater part of the reduction reflecting the direct loss of coal output, with the effect on manufacturing remaining small. Output of manufacturing rose by 1½ per cent.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves rose by $143 million in November to $15 496 million. Accruals of borrowing under the exchange cover scheme amounted to $212 million; repayments of such borrowing amounted to $81 million.

Up to 24 December, the average Exchange Rate Index for December was 2.0 per cent lower than in November.

Consumers' expenditure

The provisional estimate of the volume of retail sales in November is 115.4 (1980 = 100), above the levels of September and October. In the three months September to November, sales were 2½ per cent higher than in the previous three months and 4 per cent higher than in the corresponding period a year earlier.

Consumers' expenditure at constant 1980 prices, having risen by 1 per cent in the second quarter of 1984, fell by nearly ½ per cent in the third, to a level ½ per cent above that of the third quarter of 1983. Among the categories, expenditure on clothing and footwear increased, while that on food and motor vehicles fell compared with their second quarter levels. Other expenditure showed little change.

[1]All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Prices (not seasonally adjusted)

The retail prices index for November was 358.8 (January 1974 = 100), an increase of 0.3 per cent on October and 4.9 per cent on November 1983. The tax and price index (TPI) for November was 184.1 (January 1978 = 100), 4.9 per cent up on November 1983.

The price index for materials and fuel purchased by manufacturing industry rose by 0.9 per cent between October and November. This increase was largely attributable to the seasonal rise in unit costs of industrial electricity due to the higher level of maximum demand charges in the winter months. The increase in the index measured over a twelve-month period was little changed at 8.9 per cent in November from 9.0 per cent in October.

The producer price index for the home sales of manufactured products rose by 0.3 per cent between October and November. The increase was spread across most industries. The movement in the index measured over a twelve-month period fell to 6.0 per cent in November from 6.2 per cent in October.

Unemployment and vacancies

The level of United Kingdom unemployment (excluding school leavers) in November was 3 103 000, an increase of 4 000 on October. In the three months to November, there was an average increase of 10 000 a month, compared with 15 000 in the three months to August. During the six months to November, the rise averaged 13 000 a month, compared with 15 000 in the previous six months to May, and 4 000 in the preceding six months to November 1983.

The number of people assisted by the special employment and training measures in Great Britain at the end of October was 698 000 (not seasonally adjusted), an increase of 9 000 on September. It is estimated that as a direct effect of the measures, about 490 000 (not seasonally adjusted) people were in jobs, training or early retirement instead of claiming unemployment benefit.

Vacancies notified to Jobcentres fell by 2 900 between October and November to 167 600. In the three months to November, the stock of vacancies averaged 169 000 a month, compared with 162 000 in the previous three months to August.

Companies

In the third quarter of 1984, company gross trading profits are estimated to have been some 10 per cent higher than a year earlier, bringing the total for the first three quarters of 1984 to a level about 20 per cent higher than in the corresponding quarters of 1983.

In the third quarter of 1984, the results of the Department of Trade and Industry's survey of company liquidity showed little change. Further falls in the liquidity of manufacturing companies and oil companies were offset by a sharp rise in the liquidity of other non-manufacturing companies. Results are subject to revision as they include a greater degree of estimation for non-response than usual. The liquidity ratio rose from 112 at the beginning of the quarter to 113 at the end for all survey companies. By industrial sector, it fell from 105 to 103 for manufacturing companies, from 195 to 152 for oil companies while

it rose from 86 to 112 for other non-manufacturing companies.

Stockbuilding

The level of stocks held by the production industries, wholesalers and retailers fell by about £200 at 1980 prices in the third quarter. This represents an easing in the rate of destocking after a reduction in stocks of around £750 million in the first half of the year. Stocks in the energy and water supply industries and in the retailing industry fell by about £245 million and £20 million respectively. Wholesalers' stocks rose by almost £40 million after two quarters of heavy destocking. There was a small increase in manufacturers' stocks of nearly £30 million. Within manufacturing in the third quarter, stocks of materials and fuel rose by about £30 million after modest destocking in the previous two quarters. Stocks of work in progress fell by about £55 million following an increase of almost £115 million in the second quarter. Stocks of finished goods rose by around £50 million after destocking of about £135 million in the previous quarter. The stocks/output ratio fell slightly from 95.6 at the end of June to 94.7 at the end of September.

Stocks in the energy and water supply industries fell by almost £245 million in the third quarter of 1984. Destocking in the first three quarters of the year amounted to around £630 million – almost 14 per cent of the level of stocks at the end of 1983.

Capital expenditure

Capital expenditure by the manufacturing, construction, distribution and financial industries in the third quarter of 1984 is estimated at £4 255 million at 1980 prices, little changed from the preceding quarter. Expenditure in the six months to September was 3 per cent above that in the preceding six months.

Manufacturers' investment (taking account of the leasing of assets to manufacturers from the financial industries) is estimated at £1 554 million, 2 per cent above the value recorded in the previous quarter. Comparison on a six-monthly basis shows a rise of 5 per cent in the six months to September from the preceding six months. On the same six-monthly basis, comparison of expenditure on individual assets shows rises of 11 per cent for new building work and 5½ per cent for plant and machinery while expenditure on vehicles fell by 7½ per cent.

Investment by construction, distribution and financial industries (excluding leasing to manufacturers) in the third quarter was £2 701 million, about ½ per cent below the level in the preceding quarter. Expenditure in the six months to September was 3 per cent higher than in the previous six months. On the same six-monthly basis, comparison of expenditure on individual assets shows a rise of 8 per cent for plant and machinery, with little change for new building work and vehicles.

Financial aggregates

During banking November (five weeks to 21 November), MO (average of weekly levels) rose by £80 million, or 0.6 per cent and £M3 by £2 880 million, or 2.7 per cent. Since the beginning of the 1984/85 target period, MO has increased by 6.2 per cent and £M3 by 12.2 per cent at annual rates. In banking November M2 rose by 0.9 per cent (not seasonally adjusted), PSL2 by 2.2 per cent and M1 by 3.3 per cent. Growth of most of the monetary aggregates was almost certainly erratically high in November. Figures for the components of £M3 appear to be consistent with a substantial building up of deposit in anticipation of the British Telecom offer for sale. Amongst the counterparts to the change in £M3, the net effect of public sector transactions was expansionary by £1 150 million. The central government borrowing requirement was £2 070 million and the direct contribution of local authorities and public corporations to the public sector borrowing requirement (net of non-bank private sector purchases of their debt) was also expansionary by £540 million. Net purchases of central government debt by the non-bank private sector amounted to £1 460 million.

Sterling lending to the private sector rose by £1 690 million. The sterling value of private foreign currency deposits rose by £590 million, an estimated rise of £850 million in transactions terms being partly offset by valuation changes.

Earnings

The whole economy index of average weekly earnings in October was 164.5 (January 1980 = 100), 2.7 per cent above September and 8.2 per cent above October 1983. The underlying increase in average weekly earnings in the year to October was 7½ per cent, similar to the increase in the year to September. The actual increase in the year to October was above the underlying trend because of the effect of temporary factors. Back-pay in October, including that for civil servants and teachers, was substantially higher than in October 1983 inflating the actual increase by over 2 per cent. On the other hand, the following factors depressed earnings and partly offset the effect of higher back-pay: average earnings in October were depressed by industrial action in the coal industry and delays in the settlements for some local authority and coal mining employees reduced the actual increase.

In manufacturing industries the underlying increase in average earnings in the year to October was about 8½ per cent, slightly lower than the corresponding increase in the year to September. This reduction reflected mainly the smaller increase in working hours in the year to October than in the corresponding period to September.

Balance of payments

The current account for November was in surplus by an estimated £278 million compared with a surplus of £40 million in October. In the three months ended November, the current account was in deficit by £140 million compared with a surplus of £84 million in the previous three months. There was a deficit on visible trade of £1 838 million in the latest three months compared with a deficit of £962 million in the previous three months. The surplus on invisibles is projected at £1 698 million compared with £1 046 million in the previous three months.

The visible trade balance in November was in deficit by £122 million compared with a deficit of £888 million in October. Imports in November were 8 per cent lower than the high October level, this fall will have included the effects of traders bringing goods forward (from November to October) in anticipation of the change in VAT procedures on 1 November.

Export volume in the three months to November increased by 5 per cent to a level 11 per cent higher than a year earlier. Recent figures suggest that the underlying level of non-oil export volume has increased. The volume of total imports in the latest three months increased by 8½ per cent to a level 14 per cent higher than a year ago. It now seems likely that the underlying level of non-oil import volume has increased in recent months.

Selected monthly indicators[1]

		Seasonally adjusted					Unadjusted					Seasonally adjusted	
		1980 = 100	1980 = 100	Thousands		Jan. 1980 = 100	1980 = 100	Jan. 1974 = 100	Jan. 1978 = 100	1975 = 100	$ billion	£ million	
		Volume of retail sales (GB)[2,3] §	Total production industries	Unemployment[4,5,6] §	Vacancies[7] §	Average earnings (whole economy: GB)[8]	Producer price of materials and fuel[9]	Retail price index (all items)	Tax and price index	Sterling exchange rate index	UK official reserves[10]	Balance of payments: Current balance	Money stock £M3
1983	A	107.6	101.7	2 940.9	160.5	150.2	124.6	338.0	175.1	85.1	18.0	250	96 370
	S	110.0	102.6	2 951.3	167.0	150.7	126.5	339.5	176.0	84.8	17.9	376	96 730
	O	109.0	102.9	2 941.0	168.1	152.0	126.2	340.7	176.7	83.4	18.1	− 371	97 740
	N	110.9	103.3	2 938.5	163.2	152.1	127.4	341.9	177.5	83.7	18.1	47	97 840
	D	111.0	104.3	2 946.1	153.3	153.4	131.6	342.8	178.0	82.5	17.8	674	99 090
1984	J	107.7	103.3	2 976.0	147.6	154.7	133.5	342.6	177.9	81.9	17.8	− 162	99 730
	F	109.5	103.0	3 005.1	145.4	155.6	134.2	344.0	178.8	82.2	18.0	654	99 790
	M	108.3	102.1	3 011.6	147.3	154.4	132.9	345.1	179.4	81.0	16.7	− 69	101 190
	A	112.2	101.2	3 010.9	147.9	155.8	133.8	349.7	178.8	79.9	15.9	− 540	101 500
	M	110.7	100.2	3 027.9	155.7	156.0	134.3	351.0	179.6	80.0	15.8	− 8	102 330
	J	112.1	100.7	3 038.0	158.7	156.0	134.1	351.9	180.1	79.4	15.5	169	104 420
	J	111.2	99.9	3 054.6	164.2	158.2	133.8†	351.5	179.9	78.4	15.4	173	103 410
	A	110.9	100.0	3 073.9	161.6	159.0	132.8	354.8	181.8	78.4	15.3	− 257	104 110
	S	114.5	101.5	3 096.5	169.6	160.2	134.9	355.5	182.2	77.3	15.3	− 458	105 470
	O	113.5	102.3	3 099.7	170.5	164.5[11]	137.5[11]	357.7	183.5	75.6	15.4	− 40	105 820
	N	115.4		3 103.2	167.6		138.7[11]	358.8	184.1	75.7	15.5	278	108 730
		Percentage change, latest three months on previous three months											
1983	A	*+0.5*	*+0.8*	*−1.7 (+1.8)*	*+16.6*	*+1.6*	*+0.2*	*+1.5*	..	*+3.3*	..	..	*+2.7*
	S	*+0.9*	*+2.2*	*−1.2 (+1.1)*	*+17.2*	*+1.7*	*+0.9*	*+1.3*	..	*+0.7*	..	..	*+1.8*
	O	*+1.6*	*+2.0*	*−0.7 (+0.4)*	*+15.0*	*+1.3*	*+1.7*	*+1.3*	..	*−0.7*	..	..	*+1.7*
	N	*+2.5*	*+2.1*	*−0.4 (—)*	*+ 8.8*	*+1.3*	*+2.2*	*+1.3*	..	*−1.2*	..	..	*+1.5*
	D	*+1.9*	*+1.5*	*−0.3 (−0.2)*	*+ 0.6*	*+1.4*	*+2.9*	*+1.1*	..	*−2.0*	..	..	*+1.8*
1984	J	*+0.9*	*+1.2*	*+0.3 (+0.3)*	*− 6.4*	*+1.6*	*+4.0*	*+1.0*	..	*−2.0*	..	..	*+1.9*
	F	*−0.5*	*+0.6*	*+1.1*	*−10.4*	*+2.0*	*+5.0*	*+0.7*	..	*−2.1*	..	..	*+1.9*
	M	*−1.7*	*−0.7*	*+1.9*	*− 9.1*	*+1.6*	*+4.0*	*+0.6*	..	*−1.8*	..	..	*+2.0*
	A	*−0.1*	*−1.5*	*+1.8*	*− 5.0*	*+1.2*	*+2.1*	*+1.1*	..	*−2.1*	..	..	*+1.9*
	M	*+0.7*	*−2.3*	*+1.4*	*+ 1.0*	*+0.5*	*+0.4*	*+1.6*	..	*−2.3*	..	..	*+2.2*
	J	*+3.0*	*−2.0*	*+0.9*	*+ 5.0*	*+0.6*	*+0.4*	*+2.0*	..	*−2.3*	..	..	*+2.6*
	J	*+1.4*	*−1.8*	*+1.0*	*+ 8.6*	*+0.9*	*+0.3*	*+1.5*	..	*−2.1*	..	..	*+2.6*
	A	*+1.1*	*−1.0*	*+1.3*	*+ 7.5*	*+1.5*	*−0.1*	*+1.2*	..	*−2.0*	..	..	*+2.3*
	S	*+0.6*	*−0.2*	*+1.6*	*+ 7.2*	*+2.1*	*−0.2*	*+0.9*	..	*−2.3*	..	..	*+1.5*
	O	*+1.6*	*+1.0*	*+1.6*	*+ 4.8*	*+2.9*[11]	*+0.7*[11]	*+1.3*	..	*−2.8*			*+1.7*
	N	*+2.7*		*+1.4*	*+ 4.8*		*+2.6*[11]	*+1.3*	..	*−3.2*			*+2.6*
		Percentage change, latest three months on corresponding period of previous year											
1983	A	*+5.0*	*+2.6*	*+ 5.3 (+10.6)*	*+37.2*	*+8.1*	*+7.3*	*+4.1*	*+3.2*	*−6.8*	..	..	*+11.2*
	S	*+5.3*	*+3.3*	*+ 4.0 (+ 9.6)*	*+43.4*	*+8.2*	*+8.1*	*+4.6*	*+3.5*	*−7.2*	..	..	*+11.0*
	O	*+5.3*	*+3.6*	*+ 2.9 (+ 8.6)*	*+46.2*	*+8.6*	*+8.8*	*+4.9*	*+3.9*	*−8.2*	..	..	*+10.4*
	N	*+6.4*	*+4.8*	*+ 2.0*	*+46.0*	*+8.2*	*+8.3*	*+5.0*	*+4.0*	*−7.9*	..	..	*+10.0*
	D	*+6.2*	*+5.6*	*+ 1.0*	*+39.6*	*+8.0*	*+7.5*	*+5.1*	*+4.1*	*−6.6*	..	..	*+10.2*
1984	J	*+5.3*	*+5.4*	*+ 0.3*	*+32.6*	*+7.5*	*+7.3*	*+5.1*	*+4.1*	*−3.4*	..	..	*+10.3*
	F	*+4.4*	*+3.9*	*− 0.1*	*+25.4*	*+6.9*	*+7.3*	*+5.2*	*+4.3*	*−0.6*	..	..	*+10.2*
	M	*+2.8*	*+2.9*	*− 0.2*	*+20.8*	*+6.1*	*+7.2*	*+5.2*	*+4.3*	*+1.4*	..	..	*+ 9.9*
	A	*+3.6*	*+2.1*	*− 0.2*	*+16.0*	*+5.8*	*+7.6*	*+5.2*	*+4.2*	*+0.1*	..	..	*+ 9.1*
	M	*+3.2*	*+1.2*	*+ 0.4*	*+12.9*	*+5.5*	*+8.1*	*+5.2*	*+4.2*	*−2.4*	..	..	*+ 8.6*
	J	*+4.1*	*+0.9*	*+ 1.3*	*+12.5*	*+5.4*	*+8.4*	*+5.1*	*+4.1*	*−5.3*	..	..	*+ 8.4*
	J	*+3.8*	*−0.1*	*+ 2.5*	*+11.0*	*+5.2*	*+8.4*	*+4.9*	*+3.8*	*−6.7*	..	..	*+ 8.3*
	A	*+3.9*	*−0.6*	*+ 3.4*	*+ 5.9*	*+5.4*	*+7.7*	*+4.9*	*+3.7*	*−7.4*	..	..	*+ 8.2*
	S	*+3.8*	*−1.5*	*+ 4.3*	*+ 2.9*	*+5.8*	*+7.3*	*+4.7*	*+3.5*	*−8.1*	..	..	*+ 8.1*
	O	*+3.8*	*−1.1*	*+ 5.0*	*+ 1.2*	*+6.8*[11]	*+7.4*	*+4.9*	*+3.8*	*−8.7*	..	..	*+ 8.3*
	N	*+4.1*		*+ 5.3*	*+ 1.9*		*+8.2*[11]	*+4.9*	*+3.7*	*−9.3*	..	..	*+ 9.4*

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods.
[4] Unemployed excluding school leavers.
[5] The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette*.
[6] From 1 April 1983, the figures reflect the effects of the provisions in the 1983 Budget for some men aged sixty and over who no longer have to sign on at an unemployment benefit office. The figures in brackets allow for these effects.
[7] Vacancies notified to job centres.
[8] The seasonal adjustment factors currently used are based on data up to December 1982.
[9] Purchased by manufacturing industry. (Revised definition)
[10] See footnote[2] on page 50.
[11] Provisional.

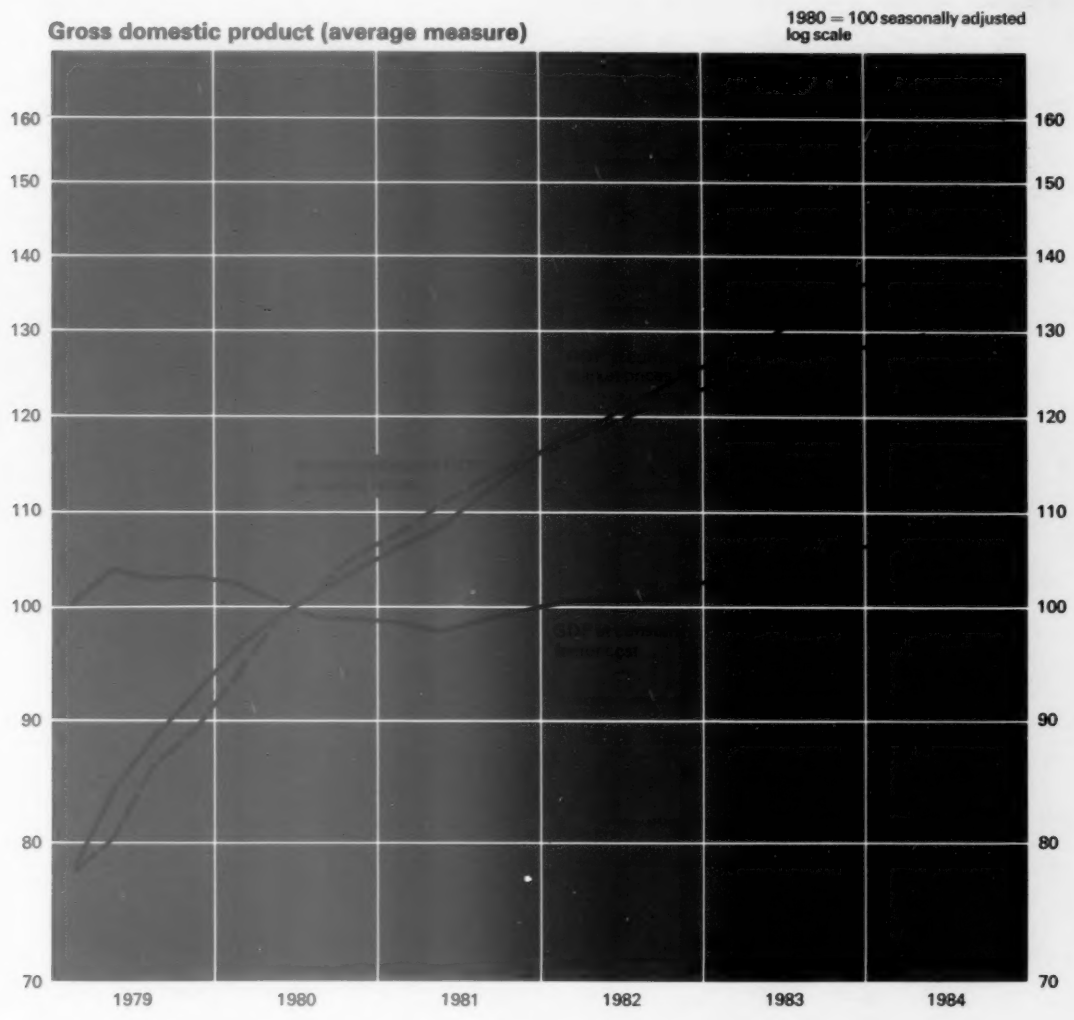
Tables and charts

National accounts aggregates[1]

Seasonally adjusted

	Gross domestic product									National disposable income at 1980 market prices	Implied gross domestic product deflator	
	At market prices[2]			At factor cost							At factor cost	At market prices
	At current prices		At 1980 prices	At current prices		At 1980 prices						
	£ billion	1980 = 100	1980 = 100	£ billion[3]		1980 = 100				1980 = 100	1980 = 100	
	Based on:			Based on:		Based on:					Based on	Based on:
	expenditure data	average estimate	average estimate	expenditure data	income data	average estimate	expenditure data	income data[4]	output data	average estimate	expenditure data[5]	expenditure data
1974	84.1	36.6	92.8	75.6	75.1	93.2	93.1	92.6	93.8	90.6	40.8	39.4
1975	106.3	46.0	91.7	95.8	95.0	92.1	92.5	91.9	92.0	90.2	52.0	50.2
1976	126.8	54.3	94.3	113.8	110.8	94.6	96.1	93.8	93.9	92.5	59.4	57.6
1977	145.9	63.3	96.4	129.1	129.0	97.0	97.1	97.2	96.5	93.9	66.7	65.6
1978	168.0	72.9	99.9	148.7	148.1	99.9	100.0	99.9	99.9	98.5	74.6	72.9
1979	196.4	85.7	102.6	171.0	171.3	102.4	101.9	102.3	103.0	101.8	84.2	83.5
1980	230.0†	100.0	100.0	199.2†	198.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	253.9	110.1	98.6†	217.7	216.9†	98.7	99.0†	98.8	98.3	99.6†	110.4	111.6†
1982	277.0	120.6†	101.0	235.5	238.0	100.8	100.6	101.8†	100.1†	101.6	117.5†	119.5
1983	301.0	130.9	104.2	257.4	259.2	104.0†	104.0	104.9	103.2	104.9	124.3	125.6
1979 *2*	48.1	84.0	104.4	42.2	42.2	103.6	103.1	103.2	104.5	103.1	82.2	80.4
3	51.0	88.5	102.7	44.1	43.9	103.1	103.1	103.0	103.1	102.4	85.7	86.2
4	52.6	92.1	103.1	45.5	45.8	103.1	102.3	103.3	103.7	102.1	89.2	89.3
1980 *1*	54.6†	95.7	102.2	47.2	47.6	101.9†	101.0†	102.1†	102.6	101.6	93.8†	93.7
2	56.1	98.7	100.5	48.4	49.6	100.6	99.3	101.9	100.7	100.0	97.9	98.2
3	58.9	101.5	98.8	51.2†	50.1	99.1	100.2	98.1	99.1	99.0	102.6	102.7
4	60.4	104.1	98.6†	52.4	51.5	98.4	99.5	97.9	97.7	99.4	105.7	105.6
1981 *1*	61.8	106.0	98.3	53.5	52.0	98.3	100.0	97.4	97.6	100.3†	107.6	107.8†
2	62.7	108.2	97.8	53.8	52.9	98.1	99.0	97.4	97.8	98.9	109.2	110.6
3	63.6	111.7	98.7	54.3	55.3	98.5	97.4	99.4	98.8	99.0	111.9	113.1
4	65.8	114.6†	99.7	56.1	56.7†	99.9	99.6	101.1	99.0	100.4	113.0	114.9
1982 *1*	67.4	117.2	100.6	56.9	57.4	100.3	100.4	101.2	99.2†	101.4	114.0	116.5
2	68.5	119.5	100.8	58.4	59.2	100.7	100.3	101.8	100.0	100.8	116.9	118.5
3	69.4	121.8	100.9	59.0	60.2	100.7	99.6	101.9	100.5	101.4	118.9	120.8
4	71.7	124.2	101.8	61.2	61.2	101.7	102.1	102.3	100.8	103.0	120.4	122.0
1983 *1*	74.0	127.9	103.2	63.2	62.9	103.0	103.6	103.4	101.8	104.4	122.4	124.0
2	73.5	128.5	103.4	62.6	63.8	103.0	102.4	104.5	102.1	103.0	122.8	124.3
3	76.0	132.3	104.6	65.2	65.5	104.4	104.2	105.0	103.8	106.0	125.5	126.6
4	77.5	134.8	105.8	66.4	67.0	105.8	105.8	106.8	104.9	106.5	126.2	127.4
1984 *1*	78.5	136.6	106.4	67.7	68.6	106.5	106.5	108.1	104.8	106.5	127.6	128.4
2	78.0	136.8	106.1	66.7	68.5	105.6	104.5	107.5	104.7	106.3	128.1	129.0
3	79.0	139.4	106.3	67.5	70.0	105.9	104.1	108.2	105.2	106.5	130.1	131.2
	Percentage change, quarter on corresponding quarter of previous year.											
1979 *2*	*15.7*	*17.0*	*4.0*	*14.6*	*15.4*	*3.1*	*1.9*	*2.6*	*4.7*	*4.2*	*12.4*	*12.3†*
3	*20.1*	*19.4*	*2.2*	*17.2*	*16.1*	*2.7*	*3.3*	*2.4*	*2.3*	*3.3*	*13.5*	*17.0*
4	*20.0*	*20.7*	*2.3*	*17.6*	*18.8*	*2.3*	*1.7*	*2.7*	*2.5*	*2.6*	*15.7*	*17.8*
1980 *1*	*22.2†*	*22.4*	*1.9*	*20.2†*	*20.7*	*2.2*	*2.0†*	*2.4*	*1.9*	*1.9*	*17.8†*	*20.1*
2	*16.5*	*17.5*	*−3.7*	*14.6*	*17.8*	*−2.9*	*−3.8*	*−1.3*	*−3.6*	*−3.0*	*19.1*	*22.1*
3	*15.6*	*14.7*	*−3.8*	*16.3*	*14.1*	*−3.9*	*−2.9*	*−4.8*	*−3.9*	*−3.3*	*19.7*	*19.1*
4	*14.9*	*13.0*	*−4.4*	*15.2*	*12.4*	*−4.6*	*−2.8*	*−5.2*	*−5.8*	*−2.6*	*18.5*	*18.3*
1981 *1*	*13.2*	*10.8*	*−3.8*	*13.5*	*9.3*	*−3.5*	*−1.0*	*−4.6*	*−4.8*	*−1.3*	*14.7*	*15.0*
2	*11.8*	*9.6*	*−2.7*	*11.2*	*6.5†*	*−2.5*	*−0.3*	*−4.4*	*−2.9*	*−1.1*	*11.5*	*12.6*
3	*8.0*	*10.1*	*−0.1*	*6.0*	*10.4*	*−0.6*	*−2.8*	*1.3*	*−0.3*	*—*	*9.1*	*10.1*
4	*8.8*	*10.1†*	*1.1*	*7.0*	*10.2*	*1.5*	*0.1*	*3.3*	*1.3*	*1.0*	*6.9*	*8.8*
1982 *1*	*9.1*	*10.6*	*2.3*	*6.4*	*10.2*	*2.0*	*0.4*	*3.9*	*1.6†*	*1.1*	*5.9*	*8.1*
2	*9.3*	*10.4*	*3.1*	*8.4*	*11.9*	*2.7*	*1.4*	*4.5*	*2.3*	*1.9*	*7.1*	*7.1*
3	*9.1*	*9.0*	*2.2*	*8.6*	*9.0*	*2.2*	*2.2*	*2.5*	*1.8*	*2.4*	*6.3*	*6.8*
4	*8.9*	*8.4*	*2.1*	*9.3*	*7.9*	*1.8*	*2.5*	*1.2*	*1.8*	*2.6*	*6.5*	*6.2*
1983 *1*	*9.7*	*9.1*	*2.6*	*11.0*	*9.7*	*2.7*	*3.3*	*2.2*	*2.6*	*3.0*	*7.4*	*6.4*
2	*7.3*	*7.5*	*2.6*	*7.3*	*7.8*	*2.3*	*2.1*	*2.7*	*2.1*	*2.2*	*5.0*	*4.9*
3	*9.5*	*8.6*	*3.7*	*10.5*	*8.8*	*3.7*	*4.7*	*3.0*	*3.3*	*4.5*	*5.6*	*4.8*
4	*8.2*	*8.5*	*3.9*	*8.5*	*9.4*	*4.0*	*3.6*	*4.4*	*4.1*	*3.4*	*4.8*	*4.4*
1984 *1*	*6.2*	*6.8*	*3.1*	*7.1*	*9.0*	*3.4*	*2.7*	*4.5*	*3.0*	*2.0*	*4.2*	*3.5*
2	*6.1*	*6.5*	*2.6*	*6.4*	*7.3*	*2.5*	*2.0*	*2.9*	*2.6*	*3.2*	*4.3*	*3.8*
3	*4.0*	*5.4*	*1.6*	*3.6*	*6.8*	*1.4*	*−0.1*	*3.0*	*1.4*	*0.5*	*3.7*	*3.6*

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] For details of these series see Introduction to November 1981 issue.
[3] Figures in £ million are given on page 14.
[4] Income data deflated by the implied GDP deflator at factor cost.
[5] Also known as the index of total home costs.


Gross domestic product (average measure)
1980 = 100 seasonally adjusted
log scale
160
150
140
130
120
110
100
90
80
70
1979
1980
1981
1982
1983
1984

Gross domestic product (average measure)
and real national disposible income
Percentage change on year earlier
seasonally adjusted
25
20
15
10
5
0
—5
Implied deflator of GDP
at market prices
GDP at current
market prices
Real national disposable income
at market prices
1979
1980
1981
1982
1983
1984

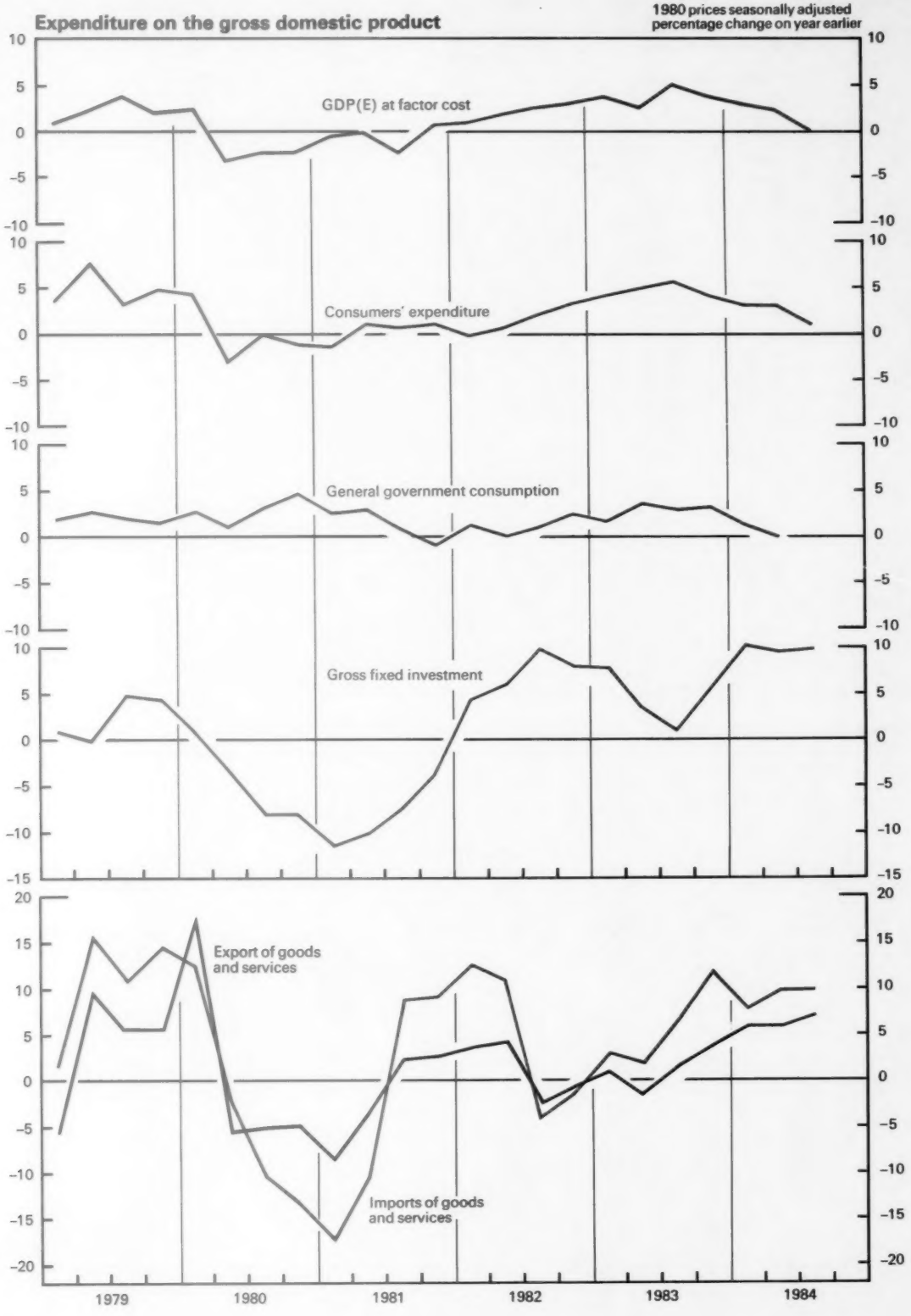
Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1980 prices

	Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices									Adjustment to factor cost
		Total[1]	Consumers' expenditure	General government consumption			Gross fixed investment	Stock building	Exports of goods and services	Imports of goods and services	
				Total[1]	Central government	Local authorities					
1974	185 509	267 083	125 630	43 870	26 452	17 406	41 734	2 837	53 072	53 350	27 529
1975	184 317	261 358	124 748	46 278	27 939	18 329	41 808	−2 969	51 657	49 576	27 178
1976	191 496	271 663	125 175	46 861	28 533	18 336	42 434	1 035	56 282	51 641	28 200
1977	193 583	274 451	124 564	46 085	28 252	17 857	41 323	2 566	59 939	52 251	28 190
1978	199 355	284 557	131 373	47 125	28 579	18 546	42 938	2 054	61 067	54 267	30 935
1979	203 053	295 129	137 256	48 107	29 097	19 010	43 925	2 474	63 367	59 908	32 168
1980	199 165†	287 626	136 789	48 810	29 851	18 959	41 628	−2 899	63 298	57 581†	30 880
1981	197 159	283 075†	136 714	48 886†	30 132†	18 753	38 075	−2 739	62 140	55 597	30 319†
1982	200 341	289 601	138 135	49 339	30 383	18 956†	40 645	−1 247	62 729	57 749	31 511
1983	207 159	300 686	144 008	50 758	31 123	19 635	42 286†	2171†	63 418†	60 955	32 572
1977 2	48 167	68 669	30 835	11 579	7 107	4 479	10 497	804	14 969	13 412	6 904
3	48 328	68 537	31 164	11 509	7 063	4 452	10 324	66	15 470	13 034	7 083
4	49 183	69 278	31 745	11 553	7 094	4 466	10 468	634	14 883	12 799	7 284
1978 1	49 062	70 433	32 554	11 674	7 101	4 573	10 752	487	14 966	13 693	7 678
2	50 435	71 404	32 683	11 769	7 154	4 615	10 963	685	15 304	13 266	7 703
3	49 735	71 358	33 117	11 764	7 146	4 618	10 676	422	15 379	13 811	7 812
4	50 123	71 362	33 019	11 918	7 178	4 740	10 547	460	15 418	13 497	7 742
1979 1	49 281	71 193	33 560	11 886	7 223	4 663	10 797	822	14 128	13 882	8 030
2	51 397	75 213	35 132	12 086	7 318	4 768	10 982	258	16 755	15 350	8 466
3	51 387	74 394	34 078	12 055	7 283	4 772	11 173	882	16 206	15 265	7 742
4	50 988	74 329	34 486	12 080	7 273	4 807	10 973	512	16 278	15 411	7 930
1980 1	50 282†	73 892	34 898	12 205	7 387	4 818	10 719	− 494	16 564	15 582†	8 028†
2	49 422	72 110	33 909	12 082	7 373	4 709	10 578	− 303	15 844	15 005	7 683
3	49 907	71 061	34 018	12 196	7 497	4 699	10 253	− 808	15 402	13 675	7 479
4	49 554	70 563	33 964	12 327	7 594	4 733	10 078	−1 294	15 488	13 319	7 690
1981 1	49 773	70 157†	34 278	12 238†	7 539†	4 699	9 461	−1 023	15 203	12 821	7 563
2	49 271	70 096	34 171	12 220	7 561	4 659	9 474	−1 085	15 316	13 423	7 402
3	48 511	71 092	34 073	12 262	7 531	4 731	9 452	− 433	15 738	14 849	7 732
4	49 604	71 730	34 192	12 165	7 501	4 664	9 688	− 198	15 883	14 504	7 622
1982 1	49 966	72 273	34 067	12 280	7 610	4 670	9 844	369	15 713	14 409	7 898
2	49 936	72 638	34 243	12 218	7 536	4 682†	10 008	225	15 944	14 856	7 846
3	49 595	71 705	34 643	12 338	7 582	4 756	10 363	− 950	15 311	14 235	7 875
4	50 844	72 985	35 182	12 503	7 655	4 848	10 430	− 891	15 761	14 249	7 892
1983 1	51 604	74 475	35 357	12 575	7 714	4 861	10 590†	98†	15 855†	14 811	8 060
2	50 990	74 255	35 749	12 692	7 773	4 919	10 315	− 172	15 671	15 094	8 171
3	51 901	75 210	36 395	12 665	7 762	4 903	10 432	188	15 530	15 144	8 165
4	52 664	76 746	36 507	12 826	7 874	4 952	10 948	103	16 362	15 906	8 176
1984 1	53 006	77 088	36 329†	12 746	7 794	4 952	11 595	− 363	16 781	15 942	8 140
2	52 032	76 959	36 742	12 705	7 744	4 961	11 263	− 411	16 660	16 507	8 420
3	51 841	76 821	36 608	12 771	7 764	5 007	11 006	− 192	16 628	16 589	8 391
	Percentage change, quarter on corresponding quarter of previous year										
1979 2	*1.9*	*5.3*	*7.5*	*2.7*	*2.3*	*3.3*	*0.2*	..	*9.5*	*15.7*	*9.9*
3	*3.3*	*4.3*	*2.9*	*2.5*	*1.9*	*3.3*	*4.7*	..	*5.4*	*10.5*	*−0.9*
4	*1.7*	*4.2*	*4.4*	*1.4*	*1.3*	*1.4*	*4.0*	..	*5.6*	*14.2*	*2.4*
1980 1	*2.0†*	*3.8*	*4.0*	*2.7*	*2.3*	*3.3*	*− 0.7*	..	*17.2*	*12.2†*	*—†*
2	*−3.8*	*−4.1*	*−3.5*	*—*	*0.8*	*−1.2*	*− 3.7*	..	*− 5.4*	*− 2.2*	*−9.2*
3	*−2.9*	*−4.5*	*−0.2*	*1.2*	*2.9*	*−1.5*	*− 8.2*	..	*− 5.0*	*−10.4*	*−3.4*
4	*−2.8*	*−5.1*	*−1.5*	*2.0*	*4.4*	*−1.5*	*− 8.2*	..	*− 4.9*	*−13.6*	*−3.0*
1981 1	*−1.0*	*−5.1*	*−1.8*	*0.3*	*2.1*	*−2.5*	*−11.7*	..	*− 8.2*	*−17.7*	*−5.8*
2	*−0.3*	*−2.8*	*0.8*	*1.1†*	*2.6†*	*−1.1*	*−10.4*	..	*− 3.3*	*−10.5*	*−3.7*
3	*−2.8*	*—*	*0.2*	*0.5*	*0.5*	*0.7*	*− 7.8*	..	*2.2*	*8.6*	*3.4*
4	*0.1*	*1.7†*	*0.7*	*−1.3*	*−1.2*	*−1.5*	*− 3.9*	..	*2.6*	*8.9*	*−0.9*
1982 1	*0.4*	*3.0*	*−0.6*	*0.3*	*0.9*	*−0.6*	*4.0*	..	*3.4*	*12.4*	*4.4*
2	*1.4*	*3.6*	*0.2*	*—*	*−0.3*	*0.5†*	*5.6*	..	*4.1*	*10.7*	*6.0*
3	*2.2*	*0.9*	*1.7*	*0.6*	*0.7*	*0.5*	*9.6*	..	*− 2.7*	*− 4.1*	*1.9*
4	*2.5*	*1.8*	*2.9*	*2.8*	*2.1*	*3.9*	*7.7*	..	*− 0.8*	*− 1.8*	*3.5*
1983 1	*3.3*	*3.0*	*3.8*	*2.4*	*1.4*	*4.1*	*7.6*	..	*0.9†*	*2.8*	*2.1*
2	*2.1*	*2.2*	*4.4*	*3.9*	*3.1*	*5.1*	*3.1†*	..	*− 1.7*	*1.6*	*4.1*
3	*4.7*	*4.9*	*5.1*	*2.7*	*2.4*	*3.1*	*0.7*	..	*1.4*	*6.4*	*3.7*
4	*3.6*	*5.2*	*3.8*	*2.6*	*2.9*	*2.1*	*5.0*	..	*3.8*	*11.6*	*3.6*
1984 1	*2.7*	*3.5*	*2.8†*	*1.4*	*1.0*	*1.9*	*9.5*	..	*5.8*	*7.6*	*1.0*
2	*2.0*	*3.6*	*2.8*	*0.1*	*−0.4*	*0.9*	*9.2*	..	*6.3*	*9.4*	*3.0*
3	*−0.1*	*2.1*	*0.6*	*0.8*	*—*	*2.1*	*5.5*	..	*7.1*	*9.5*	*2.8*

[1] For years up to and including 1977 totals differ from the sum of the components because of the method used to rebase on 1980 prices.


Expenditure on the gross domestic product
1980 prices seasonally adjusted
percentage change on year earlier
GDP(E) at factor cost
Consumers' expenditure
General government consumption
Gross fixed investment
Export of goods and services
Imports of goods and services
1979
1980
1981
1982
1983
1984

Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1980 prices		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure[3]	Personal saving ratio[4]	Real personal disposable income[5]		Real consumers' expenditure[3]
	Total[1]	*of which:* Wages, salaries and forces pay				£ million§	1980 = 100	£ million
1976	112 401	67 888	86 582	75 712	12.6	143 146	88.7	125 175
1977	125 573	75 079	97 916	86 537	11.6	140 943	87.3	124 564
1978	144 138	85 881	114 498	99 486	13.1	151 197	93.7	131 373
1979	170 605	100 486	137 297	117 912	14.1	159 821	99.0	137 256
1980	201 118	118 741	161 364	136 789	15.2	161 364	100.0	136 789
1981	220 912	127 492	175 928	152 125	13.5	158 106	98.0	136 714
1982	240 868	136 432	191 086	166 477	12.9	158 554	98.3	138 135
1983	258 360	146 469	204 684	182 427	10.9	161 578	100.1	144 008
1980 *1*	47 753	28 204	38 494	33 235	13.7	40 434	100.2	34 898
2	49 475	29 443	39 666	33 615	15.3	40 027	99.2	33 909
3	51 349	30 320	41 133	34 589	15.9	40 468	100.3	34 018
4	52 541	30 774	42 071	35 350	16.0	40 435	100.2	33 964
1981 *1*	53 293	30 990	42 826	36 471	14.8	40 243	99.8	34 278
2	54 403	31 442	43 315	37 636	13.1	39 320	97.5	34 171
3	55 827	32 178	44 087	38 477	12.7	39 033	96.8	34 073
4	57 389	32 882	45 700	39 541	13.5	39 510	97.9	34 192
1982 *1*	59 193	33 464	47 009	40 100	14.7	39 927	99.0	34 067
2	59 915	33 949	47 540	41 067	13.6	39 631	98.2	34 243
3	60 308	34 249	47 723	42 028	11.9	39 327	97.5	34 643
4	61 452	34 770	48 814	43 282	11.3	39 669	98.3	35 182
1983 *1*	62 758	35 740	49 689	44 161	11.1	39 783	98.6	35 357
2	63 655	36 236	50 470	45 024	10.8	40 073	99.3	35 749
3	65 188	36 836	51 633	46 312	10.3	40 577	100.6	36 395
4	66 759	37 657	52 892	46 930	11.3	41 145	102.0	36 507
1984 *1*	67 609	38 207	53 327	47 356	11.2	40 890	101.4	36 312
2	68 212	38 702	53 897	48 375	10.2	40 792	101.1	36 613

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] This table is revised and brought up to date in the January, April, July and October issues. The table below may show more up to date figures for consumers' expenditure.
[4] Personal saving as a percentage of personal disposable income.
[5] Personal income revalued by the implied consumers' expenditure deflator (1980 = 100).

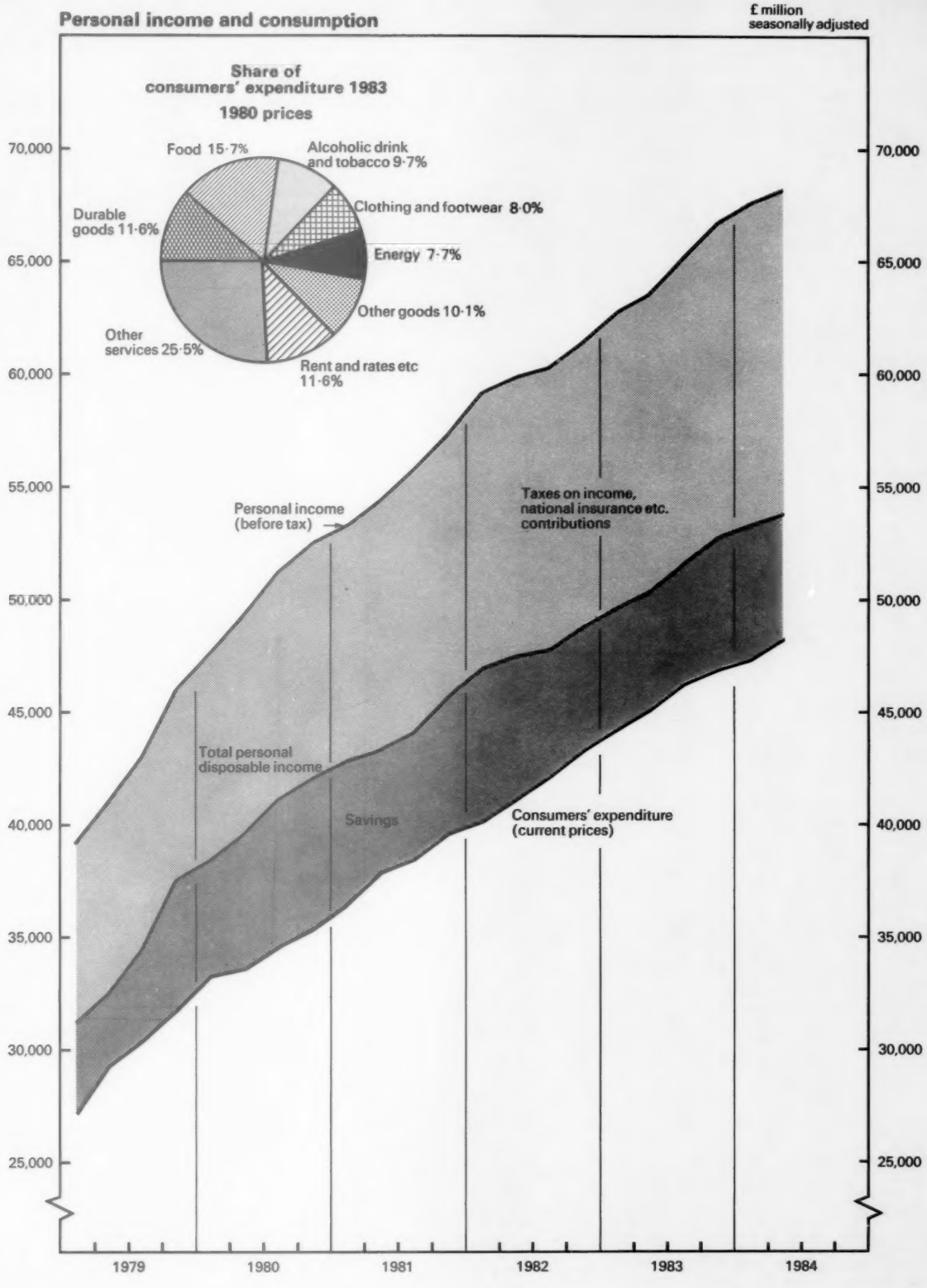
Real consumers' expenditure—component categories

Seasonally adjusted

	£ million, 1980 prices[1]								
			Other goods					Other services	
	Total	Durable goods: total	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent and rates etc.	Other services[2]
1976	125 175	11 613	22 159	14 273	8 406	10 347	13 573	14 941	29 917
1977	124 564	10 809	21 883	14 083	8 529	10 533	13 629	15 232	29 927
1978	131 373	12 284	22 501	14 912	9 333	10 759	14 603	15 516	31 465
1979	137 256	13 963	22 893	15 342	9 996	11 114	14 872	15 790	33 286
1980	136 789	13 320	22 873	14 776	9 863	10 957	14 369	16 044	34 587
1981	136 714	13 486	22 676	14 082	10 170	10 992	14 420	16 279	34 609
1982	138 135	14 193	22 587	13 511	10 734	11 038	14 626	16 530	34 916
1983	144 008	16 459	22 858	13 812	11 683	11 129	14 934	16 764	36 369
1980 *1*	34 898	3 612	5 849	3 847	2 493	2 781	3 665	3 990	8 661
2	33 909	3 295	5 738	3 597	2 452	2 641	3 597	4 003	8 586
3	34 018	3 242	5 671	3 690	2 457	2 749	3 548	4 017	8 644
4	33 964	3 171	5 615	3 642	2 461	2 786	3 559	4 034	8 696
1981 *1*	34 278	3 355	5 721	3 625	2 534	2 729	3 601	4 048	8 665
2	34 171	3 442	5 614	3 519	2 512	2 742	3 602	4 061	8 679
3	34 073	3 359	5 682	3 505	2 531	2 709	3 609	4 079	8 599
4	34 192	3 330	5 659	3 433	2 593	2 812	3 608	4 091	8 666
1982 *1*	34 067	3 271	5 601	3 396	2 635	2 740	3 633	4 108	8 683
2	34 243	3 358	5 714	3 378	2 633	2 739	3 639	4 128	8 654
3	34 643	3 647	5 593	3 329	2 701	2 784	3 678	4 139	8 772
4	35 182	3 917	5 679	3 408	2 765	2 775	3 676	4 155	8 807
1983 *1*	35 357	4 001	5 645	3 416	2 798	2 748	3 699	4 172	8 878
2	35 749	3 966	5 669	3 390	2 915	2 864	3 719	4 184	9 042
3	36 395	4 263	5 729	3 480	2 967	2 779	3 730	4 199	9 248
4	36 507	4 229	5 815	3 526	3 003	2 738	3 786	4 209	9 201
1984 *1*	36 329†	3 927	5 660	3 500	2 992	2 864	3 739	4 225	9 422†
2	36 742	4 094†	5 657†	3 441	3 149	2 785	3 892†	4 235	9 489
3	36 608	4 033	5 550	3 483	3 260	2 731	3 892	4 252†	9 407

[1] For the years prior to 1978, the total differs from the sum of the components due to the method of rebasing to 1980 prices.
[2] Including the adjustments for international travel, etc. and final expenditure by private non-profit-making bodies.

Personal income and consumption



Retail sales, new registrations of cars and consumer credit (Great Britain)

	Seasonally adjusted										
	Weekly average 1980 = 100							Thousands[1]	£ million		
	Value of retail sales[2]	Volume of retail sales[2]							Consumer credit	Hire purchase and other credit business[3]	
	Total[4]	Total[4]	Food retailers[4]	Mixed retail businesses[4]	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars[5][6]	Change in total outstanding	New credit extended	Change in amounts outstanding[6]
Sales in 1980 £ million	57 406	57 406	22 556	10 913	5 281	8 923	9 733				
1975	50.8	93.5	96.0	89.2	91	82	104	98.5	..	2 981	– 13
1976	58.2	93.1	93.1	91.3	90	85	104	106.5	341	3 474	+ 348
1977	66.5	91.5	91.2	90.9	85	86	101	109.4	729	4 741	+ 935
1978	76.1	96.4	92.3	98.6	96	94	106	131.6	1 475	6 167	+1 547
1979	88.8	100.6	95.9	103.3	102	102	107	142.1	2 060	7 351	+1 402
1980	100.0	100.0	100.0	100.0	100	100	100	126.6	1 643	7 819	+ 944
1981	108.2	100.4	100.7	100.9	100	101	98	124.6	2 491	7 823	+ 637
1982	116.9	102.5	101.6	104.5	106	105	98	132.0	2 606	9 056	+1 212
1983	127.7	107.9	105.9	110.2	116	116	98	150.5	3 234	10 505	+2 528
1981 *3*	109.3	100.5	100.7	100.7	100	102	99	125.9	687	1 997	+ 95
4	110.1	99.2	99.2	101.1	101	100	96	129.4	644	2 010	+ 279
1982 *1*	114.5	101.8	101.1	103.3	105	102	100	118.0	525	2 089	+ 243
2	115.1	101.3	101.2	102.3	105	101	99	125.0	469	2 144	+ 277
3	117.6	102.9	101.7	105.5	106	107	97	138.6	723	2 355	+ 228
4	120.5	103.9	102.5	106.9	108	109	97	146.4	889	2 468	+ 464
1983 *1*	122.8	105.5	104.1	107.3	110	113	98	143.8	773	2 519	+ 485
2	126.0	107.3	104.9	109.4	116	116	98	149.0	769	2 529	+ 452
3	129.2	108.3	106.4	110.5	117	117	98	156.8	739	2 650	+ 472
4	133.0	110.3	108.1	113.6	119	119	99	152.4	953	2 807	+1 119
1984 *1*	131.4	108.5	107.1	110.5	117	116	98	144.9	826	2 896	+ 641
2	136.9	111.7	108.0	114.1	127	121	101	153.6	962	2 850	+ 432
3	139.3	112.4	108.6	115.3	130	122	99	148.8	..	2 785	+ 298
1982 *O*	119.2	103.4	102.1	105.6	107	108	97	150.8	..	795	+ 126
N	120.2	103.8	102.5	106.5	108	108	97	142.9	..	832	+ 169
D	121.8	104.5	102.7	108.4	109	110	97	145.6	..	841	+ 169
1983 *J*	121.6	105.2	103.4	108.2	108	112	98	144.8	..	860	+ 194
F	122.7	105.1	104.0	106.1	110	113	96	146.1	..	814	+ 180
M	123.9	106.0	104.8	107.5	112	112	98	140.6	..	845	+ 111
A	125.4	107.1	105.2	108.5	114	117	97	143.8	..	806	+ 110
M	126.0	107.4	105.1	109.5	115	117	98	147.4	..	862	+ 170
J	126.6	107.4	104.6	110.1	119	115	98	155.9	..	861	+ 172
J	126.9	107.0	106.1	105.7	117	115	98	152.4	..	830	+ 195
A	128.6	107.6	106.3	109.8	108	118	98	174.2	..	925	+ 102
S	131.4	110.0	106.7	115.0	125	117	98	143.9	..	895	+ 175
O	130.7	109.0	107.1	109.9	116	119	100	149.3	..	875	+ 592
N	133.4	110.9	108.5	114.6	119	119	100	150.5	..	960	+ 204
D	134.4	111.0	108.7	115.7	120	119	99	157.3	..	972	+ 323
1984 *J*	129.2	107.7	106.2	109.5	115	116	98	139.5	..	965	+ 216
F	132.9	109.5	107.6	112.5	119	118	98	164.1	..	1 005	+ 225
M	132.0	108.3	107.3	109.6	118	115	98	131.2	..	926	+ 200
A	137.3	112.2	108.7	115.3	129	120	101	149.1	..	909	+ 159
M	135.7	110.7	107.3	111.4	123	121	101	147.0	..	1 022	+ 198
J	137.6	112.1	108.0	115.3	129	121	100	164.8	..	919	+ 75
J	137.4	111.2	108.2	112.9	129	121	98	122.0	..	976	+ 207
A	137.9	110.9	108.2	114.0	120	122	98	138.0	..	938	– 20
S	141.8	114.5	109.2	118.3	139	124	101	186.3	..	871	+ 111
O	141.1	113.5	109.2	115.8	132	124	101	132.3	..	1 006	– 6

[1] Monthly averages.

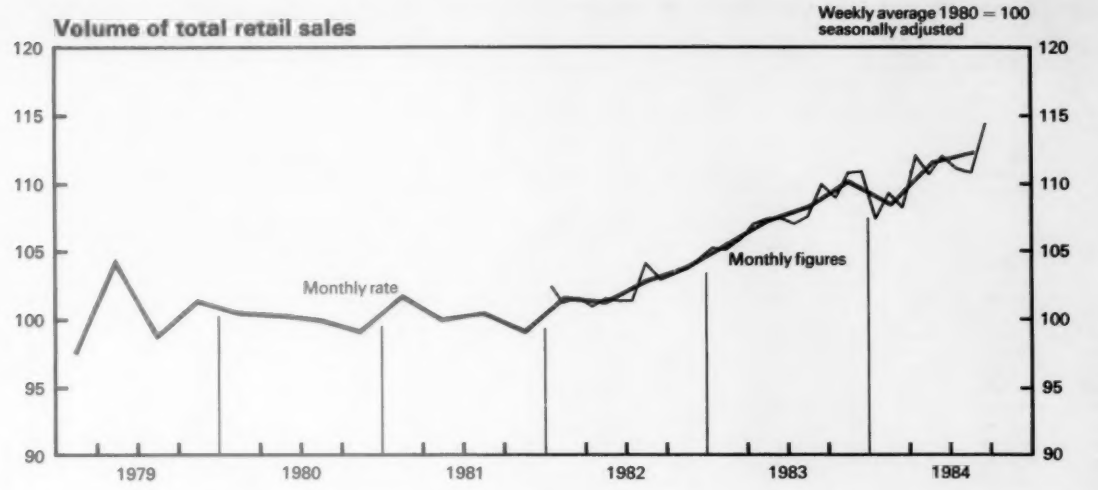
[2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1980 is exceptionally a five-week period. The quarterly indices are weighted averages of monthly indices for the months within the quarter. The weights are the number of weeks in each monthly period.

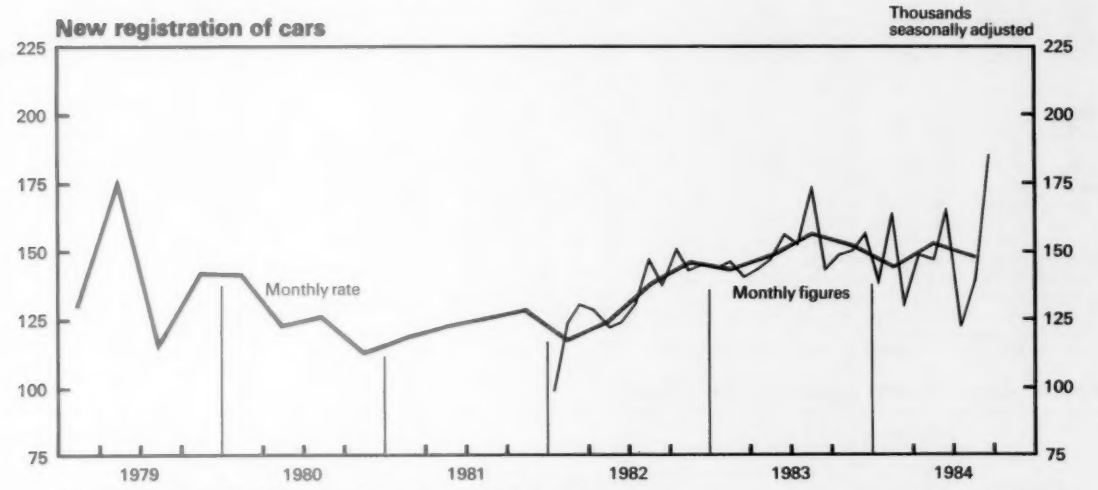
[3] Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. clothing retailers, household goods retailers, mixed retail businesses (other than co-operative societies) and general mail order houses. Most consumer credit extended by UK banks and credit extended by insurance companies is outside the scope of these series, but some lending to companies is included, (see pages 108–109 of *Economic Trends* No. 311, September 1979). There is a break in the series between 1977 and 1978 due to a change in coverage. For details see *Trade and Industry*, 12 April 1979.

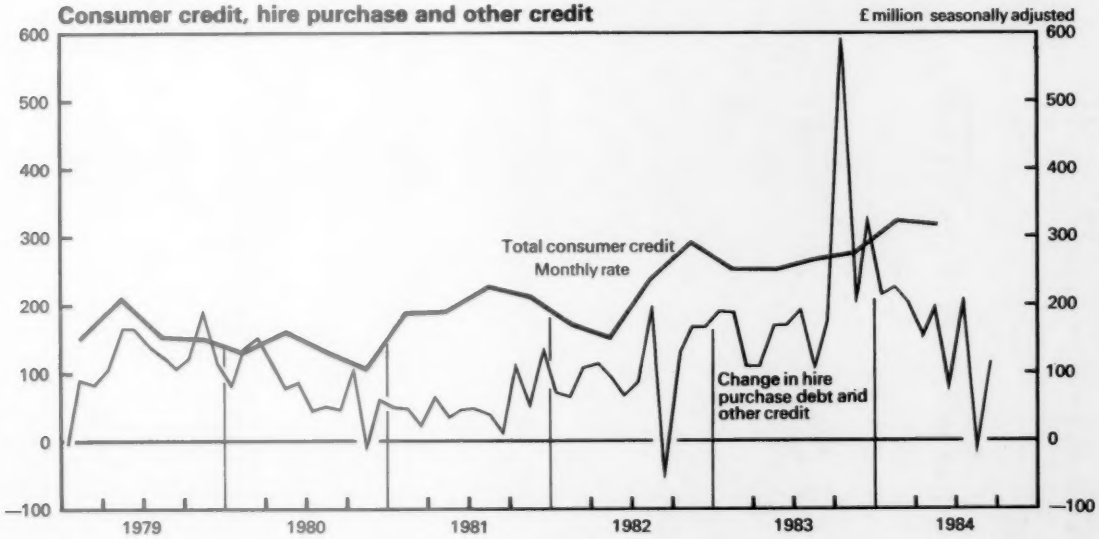
[4] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[5] Following the change in taxation policy for goods vehicles, effective from 1 October 1982, the previous 'private car and van' series has been substituted by an analysis of cars in all taxation classes. Although there are slight differences in the monthly counts between the two series this will not significantly effect movements in the estimates of the underlying trend. The timing of the cyclical turning points has not been affected by the substitution.

[6] There is a break between 1978 and 1979. Prior to 1979 figures include interest payments due over the whole period of the loans; from 1979 onward they are excluded.


Volume of total retail sales
Weekly average 1980 = 100
seasonally adjusted
120
115
110
105
100
95
90
Monthly rate
Monthly figures
1979
1980
1981
1982
1983
1984


New registration of cars
Thousands
seasonally adjusted
225
200
175
150
125
100
75
Monthly rate
Monthly figures
1979
1980
1981
1982
1983
1984


Consumer credit, hire purchase and other credit
£ million seasonally adjusted
600
500
400
300
200
100
0
—100
Total consumer credit
Monthly rate
Change in hire
purchase debt and
other credit
1979
1980
1981
1982
1983
1984

Gross domestic product and shares of income and expenditure

Seasonally adjusted

	£ million			Per cent										
	Gross domestic product at current factor cost			Percentage share of total final expenditure						Percentage share of gross domestic product (income based)				
						Gross fixed investment					Gross trading profits			
	Expenditure based	Income based	Total final expenditure (current market prices)	Consumers' expenditure	General government consumption	General government	Public corporation	Private sector	Exports	Income from employment	Companies[1]	Other[1,2]	Income from self-employment[1]	Other income[3]
1975	95 812	95 003	135 269	48.2	17.1	3.7	2.9	9.2	20.1	72.3	7.9	2.9	9.3	7.7
1976	113 799	110 844	163 693	46.3	16.5	3.3	2.9	8.9	21.6	70.6	8.4	3.8	9.5	7.8
1977	129 129	128 967	188 431	45.9	15.6	2.6	2.6	9.2	23.2	67.3	12.4	3.8	9.2	7.4
1978	148 668	148 059	213 474	46.6	15.6	2.2	2.3	10.1	22.4	66.9	13.0	3.5	9.3	7.4
1979	170 965	171 265	250 940	47.0	15.5	2.1	2.3	10.4	22.0	67.6	12.7	2.9	9.2	7.7
1980	199 165†	198 830	287 626	47.5	17.0	2.0	2.3	10.2	22.0	68.9	12.0	2.9	8.5	7.8
1981	218 694	216 933†	314 101†	48.5	17.6	1.5	2.2	9.6†	21.7	68.3	11.6	3.3	8.7	8.1
1982	235 484	237 957	344 304	48.4†	17.5	1.4	2.1	9.9	21.3	66.5	12.9	3.7	8.9	8.0
1983	257 407	259 230	377 977	48.3	17.5	1.5	2.1	9.6	21.1	65.6†	14.3†	3.7†	8.8	7.7
1980 *2*	48 404	49 647	71 172	47.2	16.5	1.9	2.4	10.2	22.3	68.3	13.1	2.6	16.0	
3	51 209	50 074	72 638	47.6	17.5	2.0	2.4	10.1	21.5	69.9	10.8	2.9	16.5	
4	52 385	51 484	73 891	47.8	17.9	2.0	2.3	10.3	21.4	69.1	11.2	3.2	16.5	
1981 *1*	53 536	52 037†	74 834†	48.7	17.8	1.8	2.2†	9.7	21.3	69.1	11.2	3.0	16.8	
2	53 825	52 893	76 802	49.0	17.7	1.6	2.3	9.6	21.5	69.0	10.8	3.4	16.8	
3	54 293	55 266	80 048	48.1	17.6	1.3	2.1	9.6	21.9	67.7	12.0	3.5	16.7	
4	56 040	56 737	82 417	48.0	17.3	1.3	2.1	9.6	22.0	67.4	12.5	3.4	16.7	
1982 *1*	59 946	57 350	83 908	47.8	17.4	1.4†	2.1	9.6	21.4	67.8	11.4	3.7	17.0	
2	58 363	59 166	85 699	47.9	17.4	1.2	2.0	9.9	21.4	66.5	13.0	3.6	16.8	
3	58 950	60 230	86 098	48.8	17.6	1.4	2.1	10.2	20.9	65.9	13.5	3.8	16.9	
4	61 225	61 211	88 599	48.9†	17.5	1.4	2.1	10.0	21.3	65.7†	13.8	3.7	16.8	
1983 *1*	63 187	62 939	92 468	47.8	17.7	1.6	2.1	9.5	21.2	65.8	14.1†	3.6†	16.6	
2	62 631	63 779	92 564	48.6	17.7	1.2	2.1	9.6	21.1	66.0	13.4	4.1	16.4	
3	65 146	65 524	95 050	48.7	17.3†	1.5	2.1	9.3	20.7	65.3	14.9	3.5	16.3	
4	66 443	67 988	97 895	47.9	17.2	1.5	2.1	9.8	21.5	65.3	14.7	3.6	16.4†	
1984 *1*	67 654	68 603	99 673	47.5	16.9	1.7	2.1	10.1	22.1†	64.7	15.9	3.2	16.1	
2	66 660	68 452	100 349	48.3	16.7	1.4	1.9	10.2	22.1	65.4	15.1	3.0	16.6	
3	67 463	69 992	102 085	47.6	17.0	1.6	1.8	9.9	22.2	64.9	16.1	2.6	16.4	

[1] After providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises.
[3] Rent income, and imputed charge for consumption of non-trading capital.

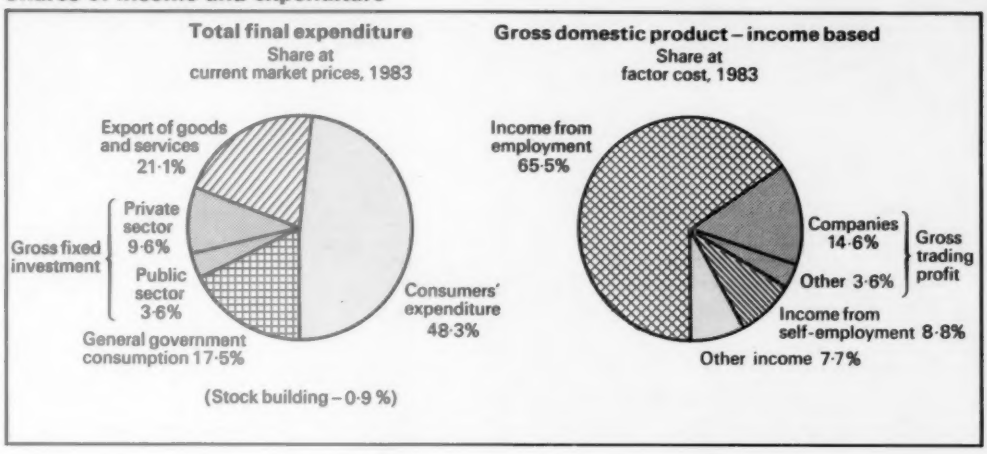
Income, product and spending *per capita*

Seasonally adjusted

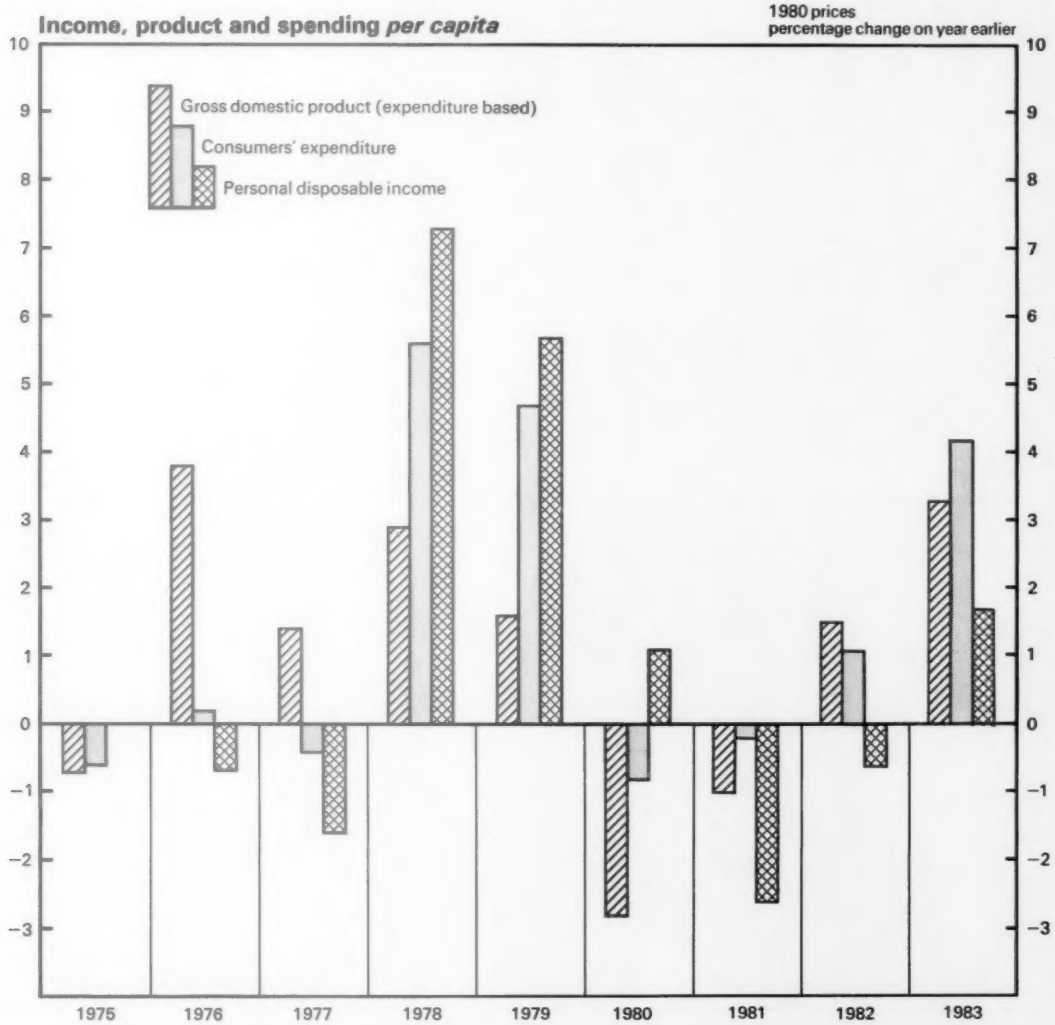
	£, current prices				£, 1980 prices		
	Gross national product[1]	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income
1975	1 718	1 704	1 160	1 338	3 279	2 219	2 560
1976	2 049	2 025	1 347	1 540	3 407	2 227	2 547
1977	2 300	2 299	1 540	1 743	3 446	2 217	2 509
1978	2 658	2 647	1 771	2 039	3 549	2 339	2 692
1979	3 059	3 041	2 097	2 442	3 611	2 441	2 842
1980	3 534†	3 537†	2 429	2 865	3 537†	2 429	2 865
1981	3 880	3 861	2 698	3 120	3 497	2 425	2 804
1982	4 201	4 180	2 955	3 392	3 556	2 452	2 814
1983	4 596	4 566	3 236	3 631	3 675	2 554	2 866
1980 *2*	857†	860	597	704	878	602	711
3	909	909	614	730	886†	604	718
4	931	930	627	747	880	603	718
1981 *2*	961	954	667	768	874	606	697
3	967	963	682	782	860	604	692
4	999	994	702	810	880	607	701
1982 *1*	1 009	1 011	712	834	887	605	708
2	1 042	1 036	729	844	887	608	704
3	1 053	1 046	746	847	880	615	698
4	1 097	1 087	768	867	902	624	704
1983 *1*	1 130	1 121	784	882	916	627	706
2	1 112	1 111	799	895	904	634	711
3	1 167	1 155	821	916	921	646	720
4	1 187	1 179	832	938	934	647	729
1984 *1*	1 202	1 200	841†	946	940	644	725
2	1 194	1 182	860	956	923	652†	724
3	1 206	1 197	862	—	919	649	—

[1] At factor cost.
[2] Based on expenditure data.

Shares of income and expenditure



Income, product and spending *per capita*



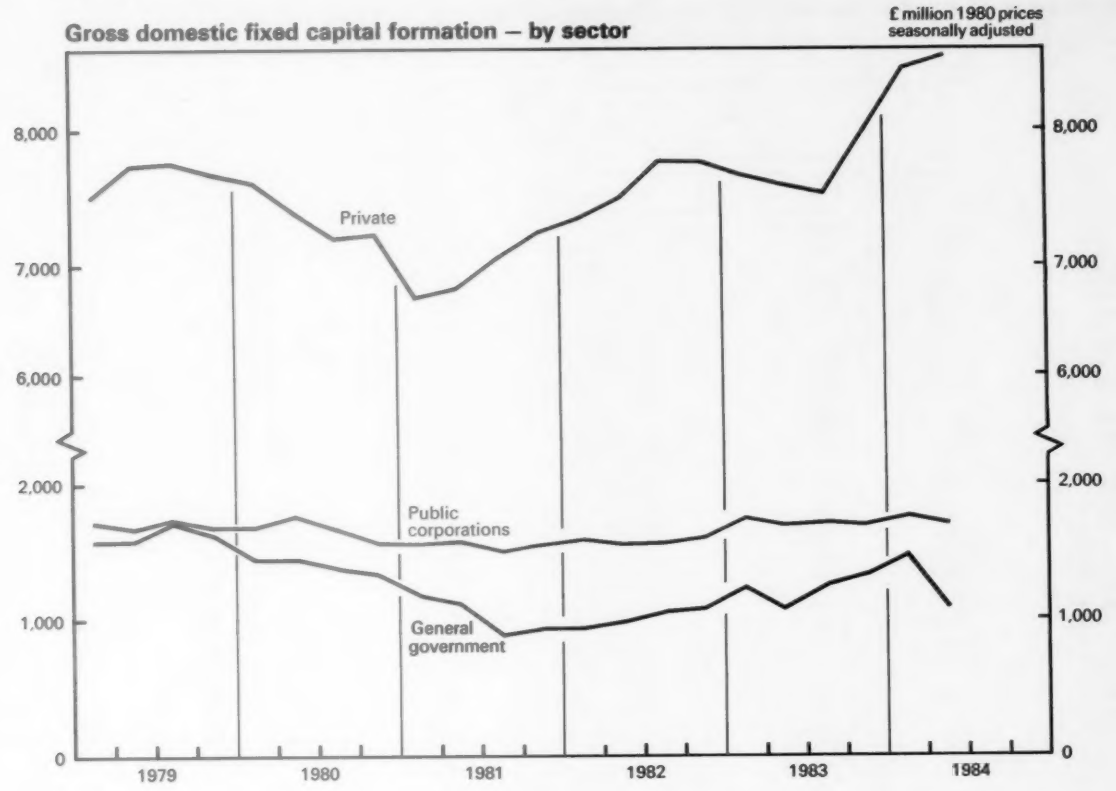
Gross domestic fixed capital formation by sector and by type of asset

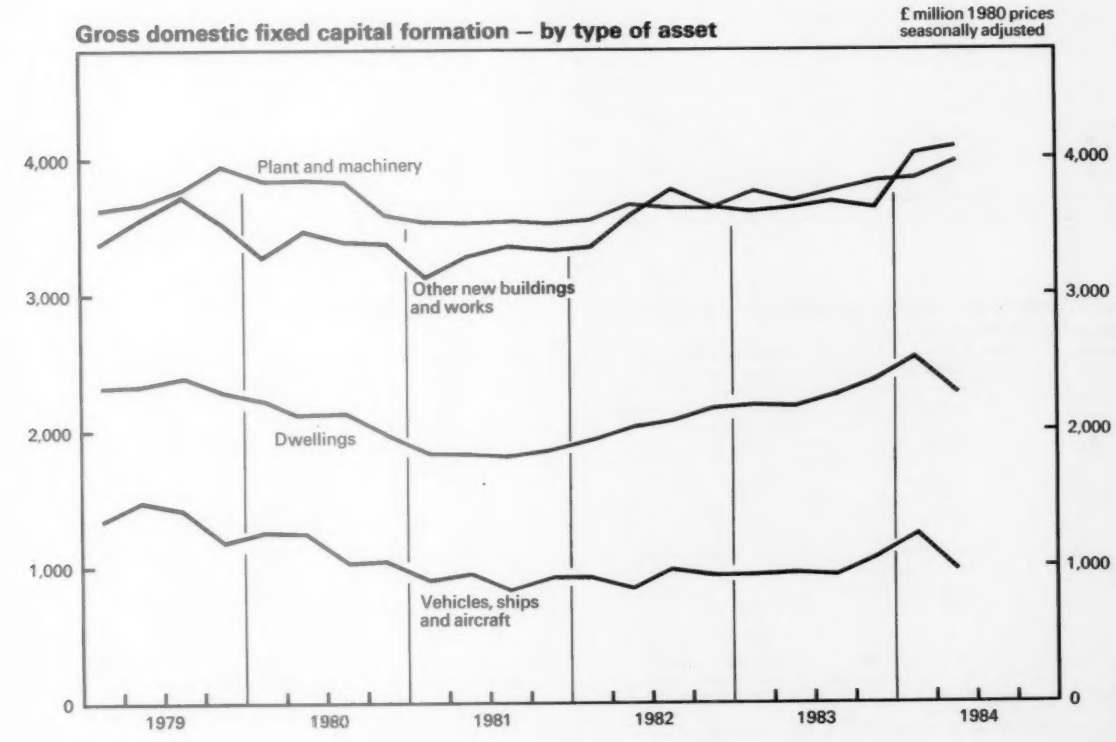
Seasonally adjusted

£ million, 1980 prices[1]

		Sector[2]			Type of asset					
					Dwellings					
		Total[5]	Private sector	General government	Public corporations	Total	*of which:* Private	*of which:* Public	Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
1973		43 535	26 162	10 976	6 203	9 476	6 406	3 088	16 604	5 146	12 593
1974		41 734	24 234	10 268	7 061	8 497	5 145	3 304	15 618	4 903	12 908
1975		41 808	24 471	9 443	7 764	9 681	6 083	3 567	15 790	4 297	12 230
1976		42 434	25 167	9 148	8 007	9 831	6 002	3 779	15 815	4 168	12 758
1977		41 323	26 340	7 606	7 328	8 990	5 563	3 398	14 822	4 730	12 913
1978		42 938	29 323	6 740	6 875	9 209	6 064	3 145	14 617	5 208	13 904
1979		43 925	30 641	6 510	6 774	9 295	6 425	2 870	14 204	5 460	14 966
1980		41 628	29 389	5 596	6 643	8 419	5 900	2 519	13 573	4 571	15 065
1981		38 075	27 796	4 135	6 144	7 294	5 629	1 665	13 103	3 614	14 064
1982		40 645	30 320	4 064	6 261	8 147	6 158	1 989	14 376	3 714	14 408
1983		42 285	30 660	4 852	6 773	8 912	6 868	2 044	14 575	3 927	14 871
1979	2	10 982	7 718	1 597	1 667	2 312	1 611	701	3 506	1 491	3 673
	3	11 173	7 744	1 712	1 717	2 389	1 646	743	3 616	1 411	3 757
	4	10 973	7 680	1 606	1 687	2 292	1 565	727	3 564	1 195	3 922
1980	1	10 719	7 598	1 443	1 678	2 209	1 503	706	3 420	1 270	3 820
	2	10 578	7 390	1 445	1 743	2 117	1 468	649	3 387	1 245	3 829
	3	10 253	7 197	1 390	1 666	2 117	1 503	614	3 298	1 017	3 821
	4	10 078	7 204	1 318	1 556	1 976	1 426	550	3 468	1 039	3 595
1981	1	9 461	6 718	1 190	1 553	1 823	1 385	438	3 226	900	3 512
	2	9 474	6 790	1 115	1 569	1 819	1 383	436	3 191	957	3 507
	3	9 452	7 056	898	1 498	1 801	1 399	402	3 271	844	3 536
	4	9 688	7 232	932	1 524	1 851	1 462	389	3 415	913	3 509
1982	1	9 844	7 320	936	1 588	1 905	1 444	461	3 479	920	3 540
	2	10 008	7 492	980	1 536	2 015	1 525	490	3 483	860	3 650
	3	10 363	7 760	1 057	1 546	2 072	1 561	511	3 686	995	3 611
	4	10 430	7 748	1 091	1 591	2 155	1 628	527	3 729	939	3 607
1983	1	10 590	7 646	1 223	1 721	2 162	1 645	517	3 729	945	3 754
	2	10 315	7 569	1 069	1 677	2 164	1 699	465	3 525	958	3 668
	3	10 432	7 489	1 244	1 699	2 247	1 735	512	3 585	947	3 653
	4	10 948	7 956	1 316	1 676	2 339	1 789	550	3 736	1 077	3 796
1984	1	11 595	8 374	1 477	1 744	2 449	1 739	710	4 087	1 231	3 828
	2	11 263	8 452	1 256	1 555	2 514	2 013	510	3 882	957	3 910
	3	11 006	8 179	1 359	1 468	2 331	1 788	543	3 689	1 100	3 886
		Percentage change, quarter on corresponding quarter of previous year									
1979	2	*0.2*	*2.8*	*– 6.1*	*– 5.1*	*2.2*	*7.7*	*– 8.5*	*– 8.6*	*9.5*	*4.8*
	3	*4.7*	*6.2*	*3.0*	*– 0.3*	*5.2*	*13.8*	*– 10.0*	*1.0*	*8.1*	*6.8*
	4	*4.0*	*5.9*	*1.1*	*– 1.1*	*– 1.7*	*– 2.8*	*0.8*	*– 0.6*	*3.2*	*13.0*
1980	1	*– 0.7*	*1.3*	*– 9.6*	*– 1.4*	*– 4.0*	*– 6.2*	*1.0*	*– 2.8*	*– 6.8*	*5.7*
	2	*– 3.7*	*– 4.2*	*– 9.5*	*4.6*	*– 8.4*	*– 8.9*	*– 7.4*	*– 3.4*	*– 16.5*	*4.2*
	3	*– 8.2*	*– 7.1*	*– 18.8*	*– 3.0*	*– 11.4*	*– 8.7*	*– 17.4*	*– 8.8*	*– 27.9*	*1.7*
	4	*– 8.2*	*– 6.2*	*– 17.9*	*– 7.8*	*– 13.8*	*– 8.9*	*– 24.3*	*– 2.7*	*– 13.1*	*– 8.3*
1981	1	*– 11.7*	*– 11.6*	*– 17.5*	*– 7.4*	*– 17.5*	*– 7.8*	*– 38.0*	*– 5.7*	*– 29.1*	*– 8.1*
	2	*– 10.5*	*– 8.1*	*– 22.9*	*– 10.0*	*– 14.1*	*– 5.8*	*– 32.8*	*– 5.8*	*– 23.1*	*– 8.4*
	3	*– 7.8*	*– 2.0*	*– 35.4*	*– 10.1*	*– 14.9*	*– 8.9*	*– 34.5*	*– 0.8*	*– 17.0*	*– 7.4*
	4	*– 3.9*	*0.4*	*– 29.3*	*– 2.1*	*– 6.3*	*2.5*	*– 29.3*	*– 1.5*	*– 12.2*	*– 2.4*
1982	1	*4.1*	*9.0*	*– 21.3*	*2.3*	*4.5*	*4.3*	*5.2*	*7.8*	*2.2*	*0.8*
	2	*5.6*	*10.3*	*– 12.1*	*– 2.1*	*10.8*	*10.3*	*12.4*	*9.1*	*– 10.1*	*4.1*
	3	*9.6*	*10.0*	*17.7*	*3.2*	*15.0*	*11.6*	*27.1*	*12.7*	*17.9*	*2.1*
	4	*7.7*	*7.1*	*17.0*	*4.4*	*16.4*	*11.3*	*35.5*	*9.2*	*2.8*	*2.8*
1983	1	*7.6*	*4.5*	*30.7*	*8.4*	*13.5*	*13.9*	*12.1*	*7.2*	*2.7*	*6.0*
	2	*3.1*	*1.0*	*9.1*	*9.2*	*7.4*	*11.4*	*– 5.1*	*1.2*	*11.4*	*0.5*
	3	*0.7*	*– 3.5*	*17.7*	*9.9*	*8.5*	*11.2*	*0.2*	*– 2.7*	*– 4.8*	*1.2*
	4	*4.9*	*2.7*	*20.6*	*5.3*	*8.5*	*9.9*	*4.4*	*0.2*	*14.7*	*5.2*
1984	1	*9.5*	*9.5*	*20.8*	*1.3*	*13.3*	*5.7*	*37.3*	*9.6*	*30.3*	*2.0*
	2	*9.2*	*11.7*	*17.5*	*– 7.3*	*16.2*	*18.5*	*– 7.7*	*10.1*	*0.1*	*6.6*
	3	*5.5*	*9.2*	*9.2*	*– 13.6*	*3.7*	*3.1*	*6.1*	*2.9*	*16.2*	*6.4*

[1] For the years before 1976, totals may not equal the sum of their components, because of the method used in rebasing to 1980 prices.
[2] Including purchases *less* sales of land and existing buildings.
[3] Including transfer costs of land and buildings.


Gross domestic fixed capital formation – by sector
£ million 1980 prices seasonally adjusted
8,000
7,000
6,000
2,000
1,000
0
Private
Public corporations
General government
1979
1980
1981
1982
1983
1984


Gross domestic fixed capital formation – by type of asset
£ million 1980 prices seasonally adjusted
4,000
3,000
2,000
1,000
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1979
1980
1981
1982
1983
1984

Indicators of fixed investment by manufacturing industry (revised definition)

	Gross fixed investment by manufacturing industry (excluding leased assets)							New orders received by contractors for private industrial work (GB)
		Plant and machinery			New building and works			
	Total§	Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1980 prices, seasonally adjusted	£ million, 1980 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1980 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1980 prices, seasonally adjusted
1974	7 432	5 401	*+13*	..	1 383	*– 1*	..	2 416
1975	6 779	5 026	*– 7*	..	1 283	*– 7*	..	1 536
1976	6 470	4 869	*– 3*	..	1 053	*–18*	..	1 790
1977	6 774	4 991	*+ 2*	..	1 136	*+ 8*	..	2 144
1978	7 220	5 319	*+ 7*	..	1 277	*+12*	..	2 241
1979	7 496	5 554	*+ 4*	..	1 305	*+ 2*	..	2 241
1980	6 471	4 953	*–11*	..	1 051	*–19*	..	1 803
1981	4 852	3 708	*–25*	..	767	*–27*	..	1 611
1982	4 684	3 631	*– 2*	..	654	*–15*	..	1 364
1983	4 619	3 679	*+ 1*	..	531	*–19*	..	1 602
1979 *1*	1 889	1 381	*+ 5*	12	349	*+13*	– 7	525
2	1 860	1 375	*+ 2*	12	322	*+ 3*	– 6	576
3	1 875	1 386	*+ 5*	8	333	*+ 3*	– 9	553
4	1 871	1 412	*+ 6*	– 9	300	*– 9*	–20	586
1980 *1*	1 757	1 355	*– 2*	–18	259	*–26*	–30	471
2	1 696	1 290	*– 6*	–18	286	*–11*	–31	490
3	1 602	1 226	*–11*	–43	266	*–20*	–47	423
4	1 416	1 082	*–23*	–46	241	*–20*	–49	420
1981 *1*	1 300	983	*–27*	–38	229	*–12*	–46	346
2	1 210	923	*–28*	–30	197	*–31*	–40	379
3	1 176	917	*–25*	–23	165	*–38*	–35	483
4	1 167	886	*–18*	–13	175	*–27*	–33	403
1982 *1*	1 184	906	*– 8*	– 5	178	*–22*	–25	356
2	1 171	910	*– 1*	– 2	160	*–19*	–25	335
3	1 167	905	*– 1*	–11	158	*– 4*	–26	353
4	1 162	909	*+ 3*	–20	157	*–10*	–33	321
1983 *1*	1 112	892	*– 1*	– 5	127	*–29*	–26	422
2	1 119	893	*– 2*	6	127	*–21*	–15	376
3	1 140	901	*–*	18	137	*–13*	– 5	438
4	1 247	993	*+ 9*	12	139	*–11*	– 8	365
1984 *1*	1 317	1 026	*+15*	20	166	*+31*	– 5	540
2	1 322	1 039	*+16*	21	169	*+33*	– 3	520
3	1 292	1 024	*+14*	14	168	*+23*	– 5	504[2]

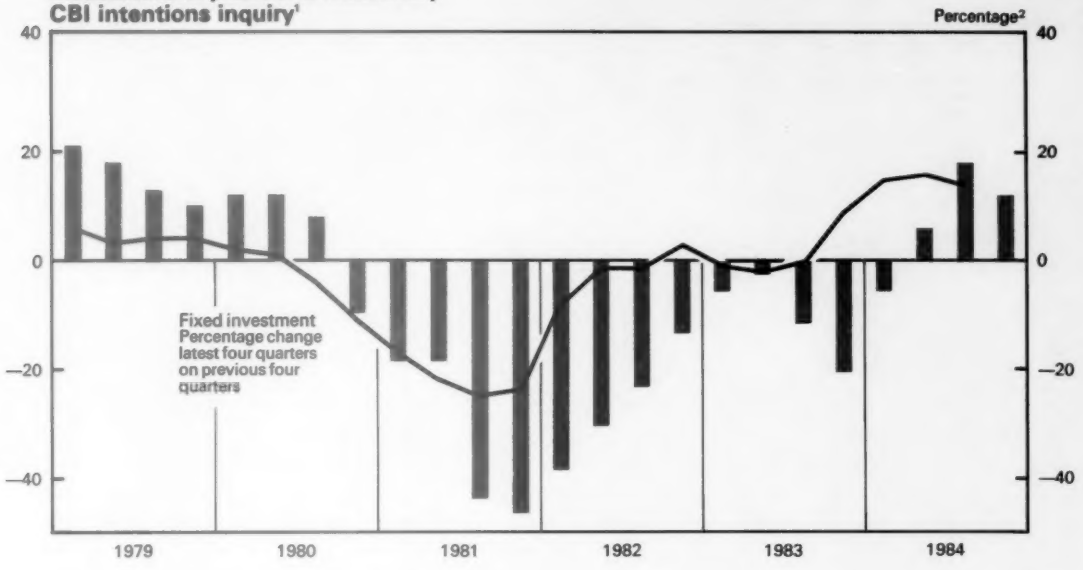
[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
[2] Provisional.

Department of Trade and Industry inquiry into investment intentions: manufacturing industry[1,2]

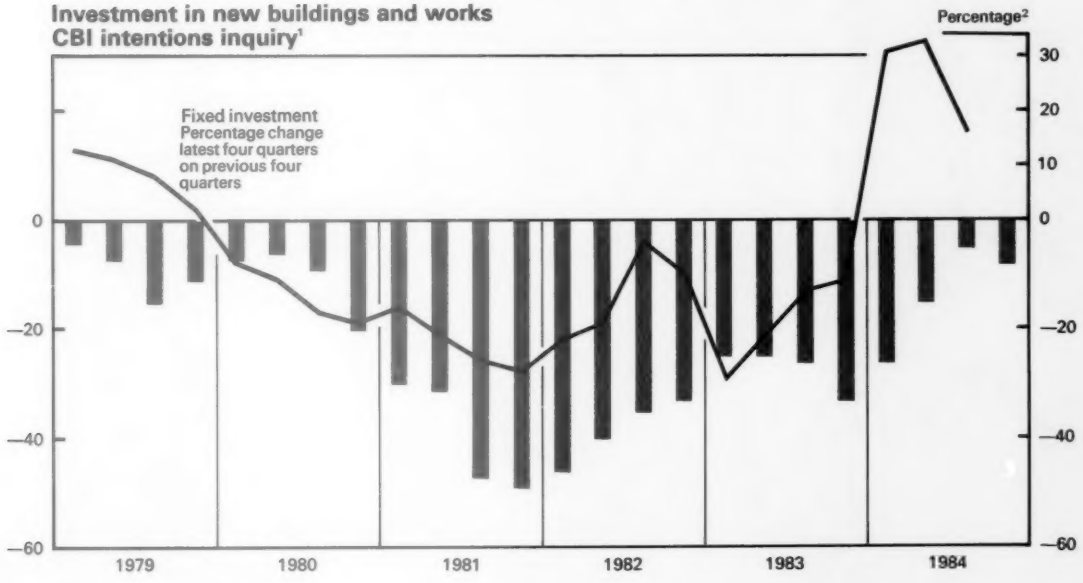
	Percentage change over previous year, in volume terms				
	Gross fixed investment (excluding leased assets)				
	First December Forecast	First June Forecast	Second December Forecast	Second June Forecast	Actual
1974	Strong increase	Strong increase	some +12 to +14	About +5	+10
1975	Little change	Little change	–7 to –10	Of order of –15	– 7
1976	Further reduction	Little change	–5 to –8	–6 (5 to 8)	– 6
1977	Large increase	Of order of +15	+10 to +15	+6 to +10	+ 5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+ 8
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+ 5
1980	Slight fall	Slight fall	–6 to –10	–8 to –12	– 9
1981	Further fall	Fall of up to 8 to 12	–15 to –20	–15 to –18	–18
1982	Some recovery	Some recovery	–1 to –3	–3 to –5	–10
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	
1984	No recovery	Slow growth			
1985					

[1] The figures in this table relate to manufacturing industry classified according to the Standard Industrial Classification (1968).
[2] An article, "Investment intentions survey: 1972 to 1982", published in *British business* on 16 September 1983 expands on the table and also includes a similar table for the distributive and service industries.

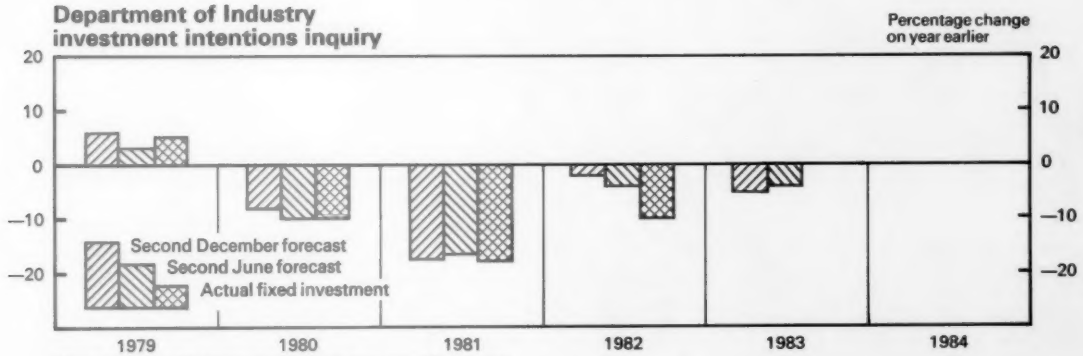
Investment in plant and machinery
CBI intentions inquiry[1]



Investment in new buildings and works
CBI intentions inquiry[1]



Department of Industry
investment intentions inquiry



[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

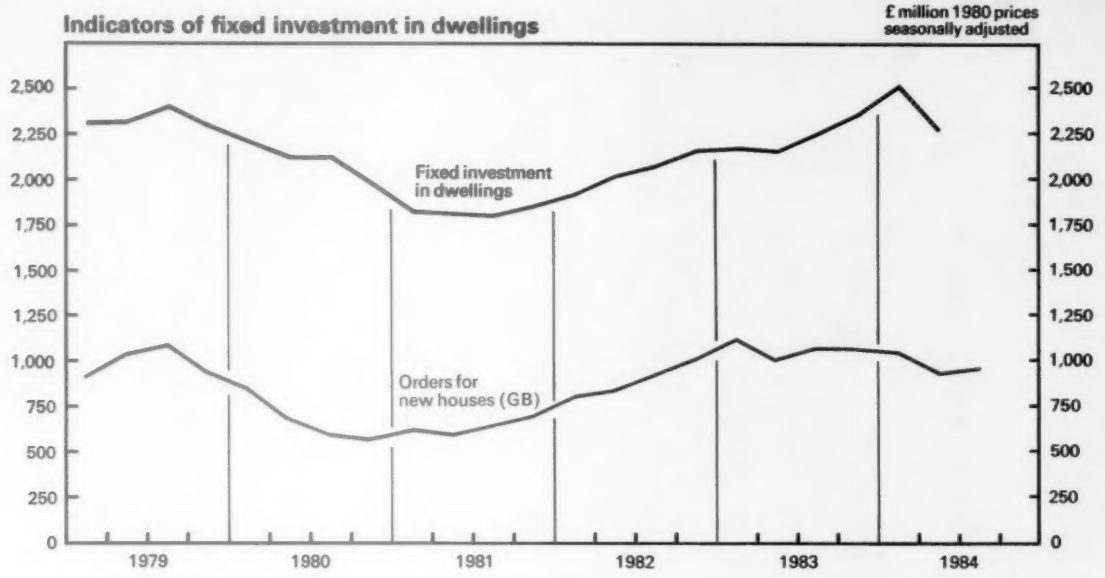
[2]Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

Indicators of fixed investment in dwellings

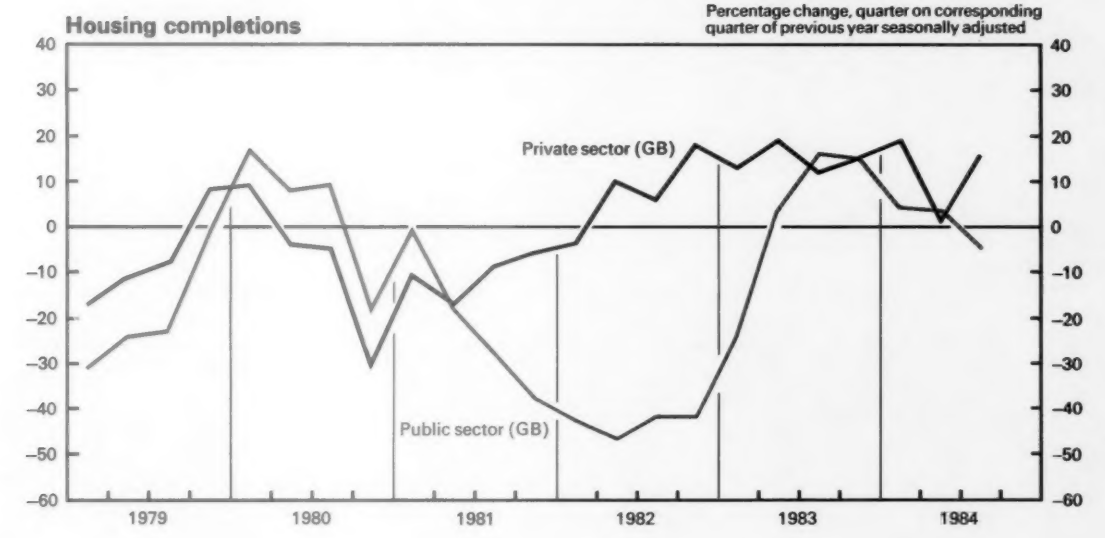
	Seasonally adjusted								Unadjusted
	£ million, 1980 prices		Thousands				£ million		1980 = 100
			Housing starts (GB) §		Housing completions (GB) §		Building societies		
	Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Private sector	Public sector	Private sector	Public sector	Commitments on new dwellings	Advances on new dwellings	Average price of new dwellings: mortgages approved[1]
1974	8 497	4 482	105.9	146.1	140.9	128.6	704	700	41.6
1975	9 681	5 352	149.1	173.8	150.8	162.3	994	945	45.5[2]
1976	9 831	5 479	154.7	170.8	152.2	163.0	1 119	1 125	49.3
1977	8 990	4 501	134.8	132.1	140.8	162.5	1 260	1 175	54.2
1978	9 209	4 733	157.3	107.4	149.0	130.7	1 523	1 504	64.9
1979	9 295	4 001	144.0	81.2	140.5	104.0	1 498	1 519	83.4
1980	8 419	2 702	98.2	56.3	127.0	106.9	1 444	1 406	100.0
1981	7 294	2 559	115.1	37.1	112.8	84.5	1 427	1 456	102.4[3]
1982	8 147	3 548	140.1	52.3	121.1	49.4	1 931	1 716	104.1
1983	8 912	4 231	167.4	47.2	139.4	49.9	2 431	2 342	115.7
1979 *4*	2 292	945	42.4	22.2	42.5	30.7	351	365	91.9
1980 *1*	2 209	850	27.6	17.5	34.1	27.1	343	367	96.1
2	2 117	683	26.0	14.6	32.2	27.0	341	331	99.9
3	2 117	596	21.6	14.1	31.5	26.9	385	342	101.7
4	1 976	574	22.9	10.2	29.1	25.9	375	366	102.5
1981 *1*	1 823	621	29.8	8.6	30.4	27.1	380	387	104.2[3]
2	1 819	595	28.4	8.3	26.6	22.1	380	371	104.6
3	1 801	644	30.0	9.3	28.6	19.4	345	359	102.3
4	1 851	699	26.9	10.8	27.2	15.9	322	339	97.9
1982 *1*	1 905	796	34.9	13.8	29.1	15.3	368	332	99.1
2	2 015	838	33.6	12.6	29.2	11.7	488	410	103.7
3	2 072	915	35.4	12.3	30.5	11.3	483	426	104.5
4	2 155	999	36.2	13.6	32.3	11.1	592	548	108.2
1983 *1*	2 162	1 113	43.7	15.4	32.9	11.6	577	547	111.7
2	2 164	993	41.0	11.4	35.1	12.4	598	567	116.3
3	2 247	1 062	40.4	9.5	34.1	13.0	590	581	117.6
4	2 339	1 063	42.3	10.9	37.3	12.9	666	647	117.2
1984 *1*	2 449	1 037	39.8	12.8	39.2	12.1	705	639	120.8
2	2 514	923	38.2	9.7[4]	35.6[4]	12.8[4]	857	727	125.4
3[4]	2 331	954	37.9[4]	9.0[4]	39.1[4]	12.7[4]			
1982 *O*	..	304	11.4	4.2	10.6	3.8	187	172	108.2
N	..	340	11.6	4.5	10.7	3.5	194	176	108.1
D	..	355	13.2	4.9	11.0	3.8	211	200	108.1
1983 *J*	..	406	15.1	4.9	11.0	3.9	184	174	110.9
F	..	348	14.2	5.8	10.7	3.9	200	179	110.5
M	..	360	14.4	4.7	11.2	3.8	193	194	113.2
A	..	350	13.0	4.2	11.8	4.2	193	184	115.1
M	..	316	13.4	3.7	11.9	4.2	196	186	117.1
J	..	328	14.6	3.5	11.4	4.0	209	197	116.6
J	..	349	13.7	3.0	11.2	4.5	188	191	118.4
A	..	340	13.5	3.3	11.7	4.3	194	195	118.0
S	..	373	13.2	3.2	11.2	4.2	208	195	117.0
O	..	347	14.9	3.7	12.6	4.3	210	195	117.8
N	..	361	13.8	3.5	11.9	4.2	226	207	118.0
D	..	356	13.6	3.7	12.8	4.4	230	245	115.8
1984 *J*	..	335	12.1	4.7	12.7	4.0	215	199	120.3
F	..	345	12.9	4.3	12.8	3.6	219	219	120.1
M	..	356	14.8	3.8	13.7	4.5	271	221	121.8
A	..	322	13.4	3.6	12.2	5.3	261	232	124.4
M	..	270	12.5	2.9	11.4	3.7	284	224	126.0
J	..	331	12.3[4]	3.2	12.0	3.8	312	271	125.8
J	..	339	13.6[4]	3.2	12.8	4.5	248	250	127.8
A	..	331	12.9[4]	2.4[4]	13.5[4]	4.7[4]	216	251	129.4
S	..	283[4]	11.4[4]	3.4[4]	12.8[4]	3.5[4]	212	260	125.2†
O	..	323[4]	12.8[4]	1.8[4]	12.0[4]	4.0[4]	214	232	124.1

[1] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[2] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[3] Figures are based on a new return introduced in January 1981.
[4] Provisional.

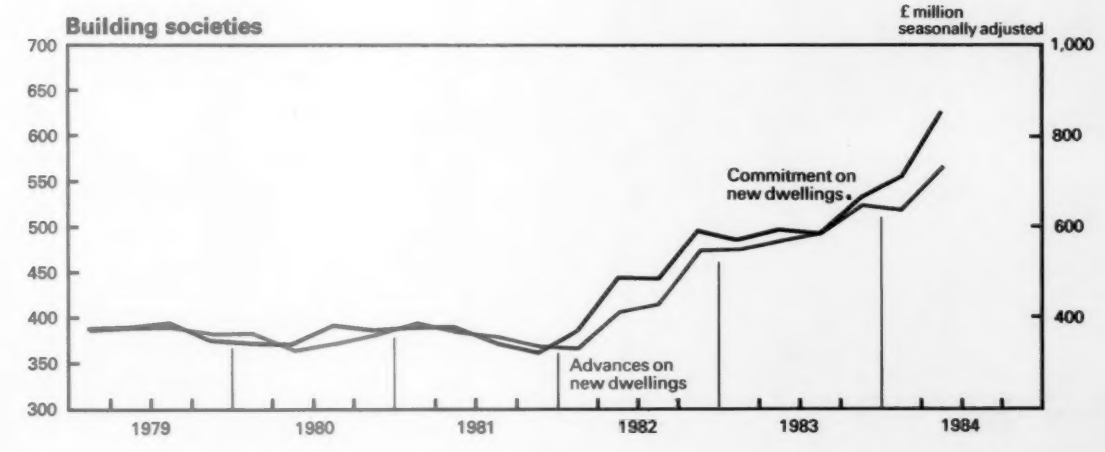
Indicators of fixed investment in dwellings



Housing completions



Building societies



Stock changes

£ million, 1980 prices, seasonally adjusted

	All industries	Energy and Water Supply	Manufacturing[1] (revised definition) Total	Materials and fuels	Work in progress	Finished goods	Distribution Wholesale[2]	Retail[3]	Other industries
Value of stocks and work in progress end-December 1983[4]	65 923	4 604	31 194	9 776	11 782	9 636	9 728	6 986	13 411
1978 *2*	685	108	83	− 85	7	161	76	257	161
3	422	−126	− 23	8	− 98	67	295	173	103
4	460	8	252	98	276	−122	137	98	− 35
1979 *1*	822	−387	66	− 30	− 66	162	350	131	662
2	258	− 90	− 8	120	− 3	−125	524	168	−336
3	882	151	185	36	− 4	152	81	336	129
4	512	186	32	−111	−188	332	327	− 88	55
1980 *1*	− 494	− 12	− 163	−254	− 16	108	−176	−313	170
2	− 303	121	− 265	−198	−229	162	−395	− 73	309
3	− 808	− 75	− 627	−375	−199	− 53	70	− 33	−143
4	−1 294	128	−1 266	−424	−270	−573	27	1	−184
1981 *1*	−1 023	63	− 787	−346	−150	−290	− 35	− 3	−261
2	−1 085	−164	− 767	−389	−122	−257	−101	114	−167
3	− 433	−184	− 142	−146	74	− 70	− 48	− 42	− 17
4	− 198	−223	167	−115	139	142	− 27	74	−189
1982 *1*	369	36	− 73	− 32	−116	75	228	96	82
2	225	91	− 35	− 7	23	− 50	56	94	19
3	− 950	−110	− 402	−189	−113	−101	−164	− 55	−219
4	− 891	125	− 628	−286	−225	−117	−212	−132	− 44
1983 *1*	98	93	17	−163	210	− 29	−250	−144	382
2	− 172	68	− 106	−103	− 76	73	149	−220	− 63
3	188	29	− 376	−114	− 2	−261	118	193	224
4	103	−105	209	146	− 23	86	− 4	142	−139
1984 *1*	− 363	−312	− 47	− 31	−123	107	−167	75	88
2	− 411	− 85	− 159	− 35	113	−137	−101	− 62	104
3	− 192	−243	28	31	− 55	52	38	− 20	5

[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.
[2] Classes 61–63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
[3] Classes 64–65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.
[4] Unadjusted 1980 price stock levels.

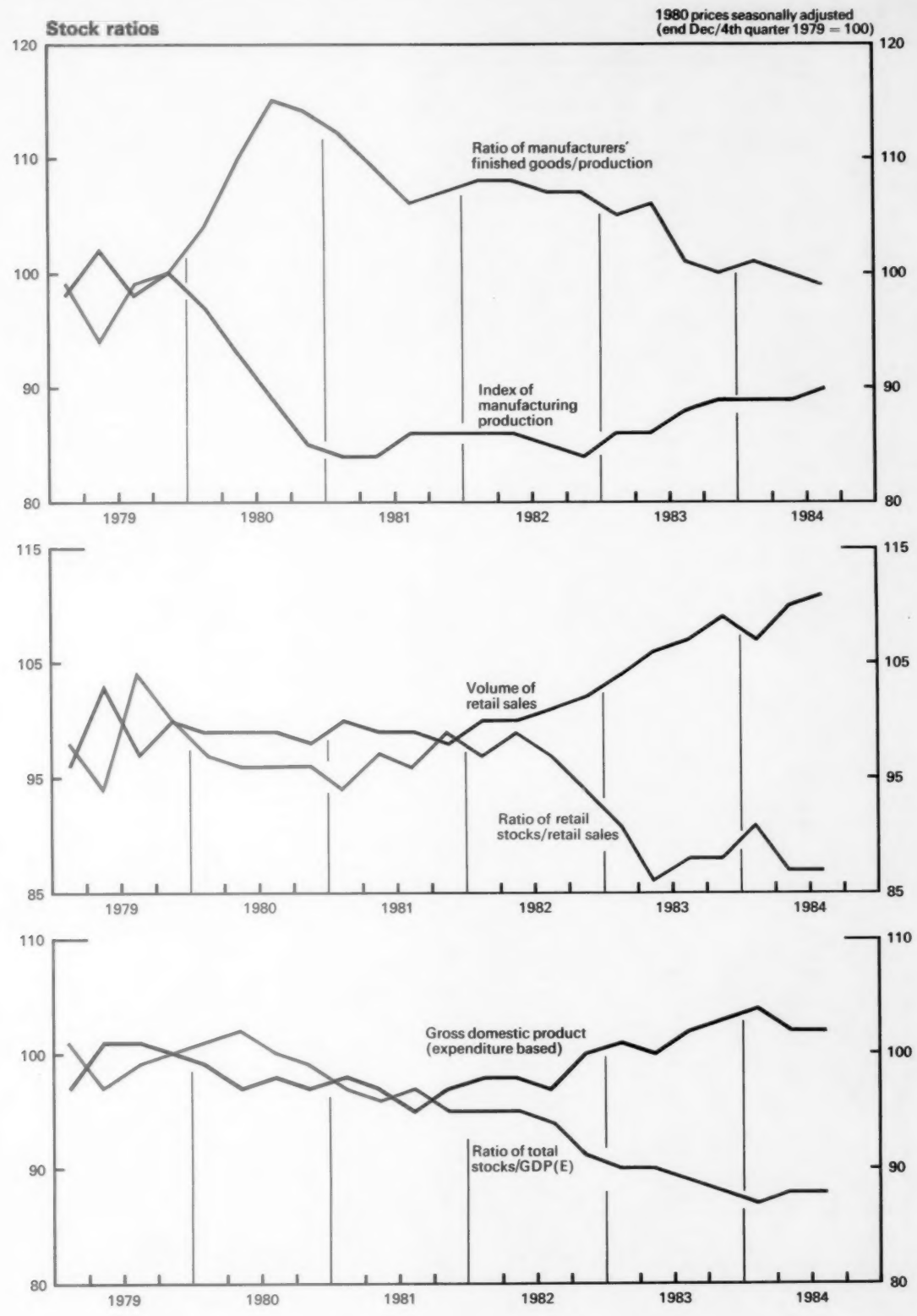
Stock ratios

Seasonally adjusted

1980 prices: stocks level, end-Dec. 1979 = 100; GDP (E), industrial production and retail sales, 4th quarter 1979 = 100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production (revised definition) Total stocks	Materials and fuel	Work in progress	Finished goods	Retail[1] stocks to retail sales
1979 *1*	101	102	102	104	99	98
2	97	98	99	100	94	94
3	99	102	103	103	99	104
4	100	100	100	100	100	100
1980 *1*	101	102	101	103	104	97
2	102	106	104	106	110	96
3	100	110	105	109	115	96
4	99	110	106	111	114	96
1981 *1*	97	109	104	111	112	94
2	96	106	101	110	109	97
3	97	104	97	108	106	96
4	95	104	96	109	107	99
1982 *1*	95	104	96	109	108	97
2	95	105	97	110	108	99
3	94	104	96	110	107	97
4	91	103	94	109	107	94
1983 *1*	90	101	91	109	105	91
2	90	101	90	109	106	86
3	89	98	87	106	101	88
4	88	97	88	105	100	88
1984 *1*	87	97	87	104	101	91
2	88	96	86	103	100	87
3	88	95	84	101	99	87

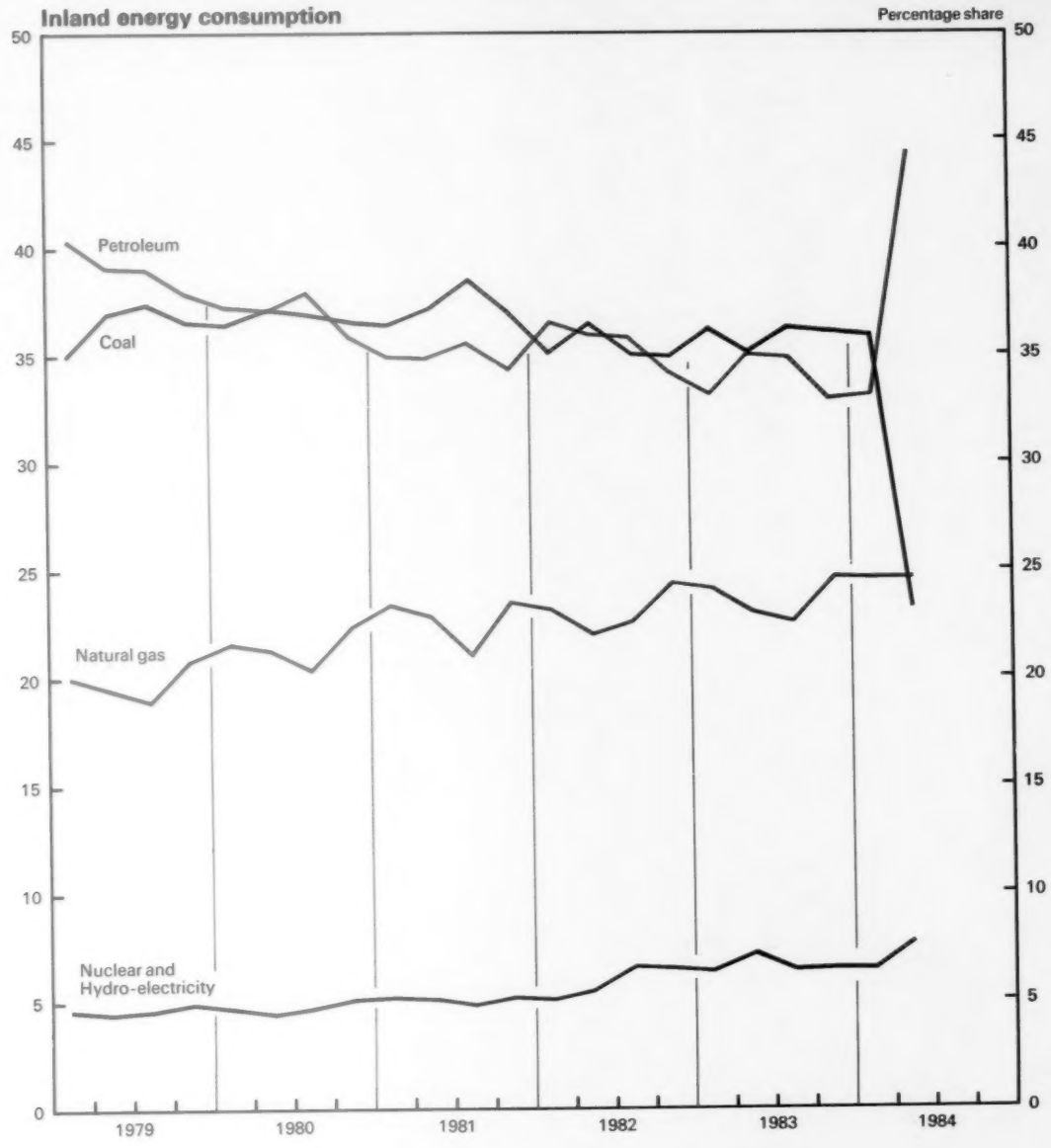
[1] Classes 64–65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.


Stock ratios
1980 prices seasonally adjusted
(end Dec/4th quarter 1979 = 100)
Ratio of manufacturers' finished goods/production
Index of manufacturing production
Volume of retail sales
Ratio of retail stocks/retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP(E)
1979
1980
1981
1982
1983
1984

Inland energy consumption

		Annual rates, seasonally adjusted and temperature corrected						
		Primary fuel input						Public supply
		Million tonnes of coal or coal equivalent						Thousand million kilowatt hours
		Total	Coal[1]	Petroleum[2]	Natural gas[3]	Nuclear electricity[4]	Hydro electricity[4]	Electricity available (GB)[5]
1973		354.2	133.2	164.5	44.4	10.1	2.0	241.0
1974		337.9	117.7	153.1	52.9	12.1	2.1	235.5
1975		326.9	120.6	137.1	56.3	10.9	2.0	234.2
1976		331.5	123.0	134.2	59.5	12.9	1.9	236.7
1977		338.2	122.4	136.8	62.7	14.3	2.0	240.2
1978		339.1	119.4	139.2	65.0	13.4	2.1	246.3
1979		349.3	127.2	137.0	69.1	13.8	2.2	255.0
1980		327.2	120.1	121.2	70.5	13.4	2.0	245.9
1981		315.3	117.5	110.2	71.6	13.7	2.3	239.2
1982		311.7	109.6	110.8	72.9	16.0	2.4	236.2
1983		313.6	111.5	106.0	75.6	18.2	2.3	242.3
1979	*2*	355.8	131.3	139.4	69.4	13.3	2.4	257.6
	3	352.1	131.8	137.8	66.6	13.3	2.6	257.7
	4	342.1	124.8	129.8	71.1	14.0	2.4	252.0
1980	*1*	333.9	121.5	124.4	72.4	13.8	1.8	242.5
	2	328.3	122.1	122.0	69.9	12.9	1.4	248.1
	3	323.7	119.3	123.1	66.1	12.5	2.7	249.0
	4	321.2	117.6	115.4	71.7	14.2	2.3	244.1
1981	*1*	317.9	115.9	111.1	74.4	13.5	3.0	235.7
	2	311.7	116.1	108.5	71.1	14.1	1.9	238.9
	3	319.2	123.0	113.5	67.5	13.4	1.8	242.0
	4	312.9	115.6	107.4	73.6	13.8	2.5	240.3
1982	*1*	312.3	109.4	114.4	72.6	13.5	2.4	238.3
	2	305.3	111.4	110.0	67.2	14.2	2.5	235.4
	3	317.7	111.3	113.7	71.8	18.8	2.1	243.5
	4	307.3	107.4	105.0	74.9	17.4	2.6	236.3
1983[6]	*1*	311.0	113.1	103.0	75.3	16.8	2.8	236.4
	2	310.6	109.0	108.4	71.1	19.4	2.7	241.7
	3	322.1	116.3	112.6	72.6	18.9	1.7	248.4
	4	309.4	110.9	101.7	76.8	17.8	2.2	242.8
1984	*1*	312.3	112.6	103.1	76.7	17.5	2.4	242.3
	2[7]	305.6	70.8	136.3	74.9	21.6	2.0	244.3
		Percentage change, quarter on corresponding quarter of previous year						
1979	*2*	*+4.3*	*+10.6*	*− 2.4*	*+8.1*	*—*	*+14.3*	*+3.8*
	3	*+4.1*	*+12.5*	*− 4.0*	*+6.7*	*+ 0.8*	*+36.8*	*+1.5*
	4	*−0.4*	*− 0.3*	*− 5.0*	*+6.9*	*+12.0*	*− 4.0*	*+2.6*
1980	*1*	*−4.4*	*− 0.2*	*−11.8*	*+3.0*	*− 4.8*	*+20.0*	*−4.0*
	2	*−7.7*	*− 7.0*	*−12.5*	*+0.7*	*− 3.0*	*−41.7*	*−3.7*
	3	*−8.1*	*− 9.5*	*−10.7*	*−0.8*	*− 6.0*	*+ 3.8*	*−3.4*
	4	*−6.1*	*− 5.8*	*−11.1*	*+0.8*	*+ 1.4*	*− 4.2*	*−3.1*
1981	*1*	*−4.8*	*− 4.6*	*−10.7*	*+2.8*	*− 2.2*	*+66.7*	*−2.8*
	2	*−5.1*	*− 4.9*	*−11.1*	*+1.7*	*+ 9.3*	*+35.7*	*−3.7*
	3	*−1.4*	*+ 3.1*	*− 7.8*	*+2.1*	*+ 7.6*	*−33.3*	*−2.8*
	4	*−2.6*	*− 1.7*	*− 6.9*	*+2.6*	*− 2.8*	*+ 8.7*	*−1.6*
1982	*1*	*−1.7*	*− 5.6*	*+ 2.9*	*−2.3*	*+ 0.4*	*−20.0*	*+1.1*
	2	*−2.0*	*− 4.0*	*+ 1.3*	*−5.4*	*+ 0.4*	*+30.4*	*−1.5*
	3	*−0.5*	*− 9.5*	*+ 0.1*	*+6.7*	*+40.2*	*+14.7*	*+0.6*
	4	*−1.8*	*− 7.1*	*− 2.2*	*+1.7*	*+25.5*	*+ 4.6*	*−1.7*
1983	*1*	*−1.4*	*+ 0.5*	*−10.0*	*+3.7*	*+23.9*	*+18.5*	*−0.8*
	2	*+1.6*	*− 2.5*	*− 1.5*	*+5.8*	*+36.7*	*+ 8.8*	*+2.7*
	3	*+0.9*	*+ 3.1*	*− 1.0*	*+1.1*	*+ 0.5*	*−19.7*	*+2.0*
	4	*+1.0*	*+ 4.3*	*− 3.1*	*+2.5*	*+ 2.3*	*−14.0*	*+2.8*
1984	*1*	*+0.4*	*− 0.4*		*+1.9*	*+ 4.3*	*14.3*	*+2.5*
	2[7]	*−1.6*	*−35.0*	*+25.8*	*+5.3*	*+11.1*	*−25.8*	*+1.1*

[1] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[2] Inland deliveries for energy use *plus* refinery fuel and losses *minus* the difference between deliveries and actual consumption at power stations and gas works.
[3] Excluding gas flared or re-injected.
[4] Nuclear and hydro electricity are not temperature corrected.
[5] The inclusion of Northern Ireland would add about 2 per cent to the total.
[6] Coal data for 1983 have been adjusted, for the purpose of comparison with 1984, to take account of calendar differences between 1983 and 1984.
[7] Provisional.

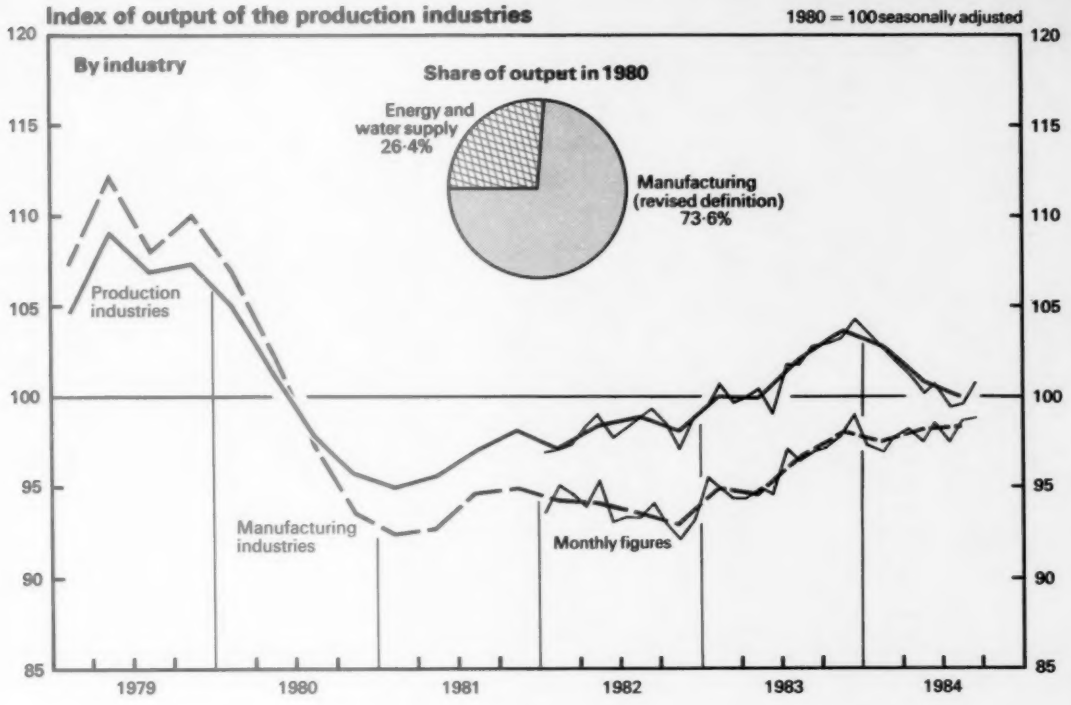

Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Petroleum
Coal
Natural gas
Nuclear and
Hydro-electricity
1979
1980
1981
1982
1983
1984

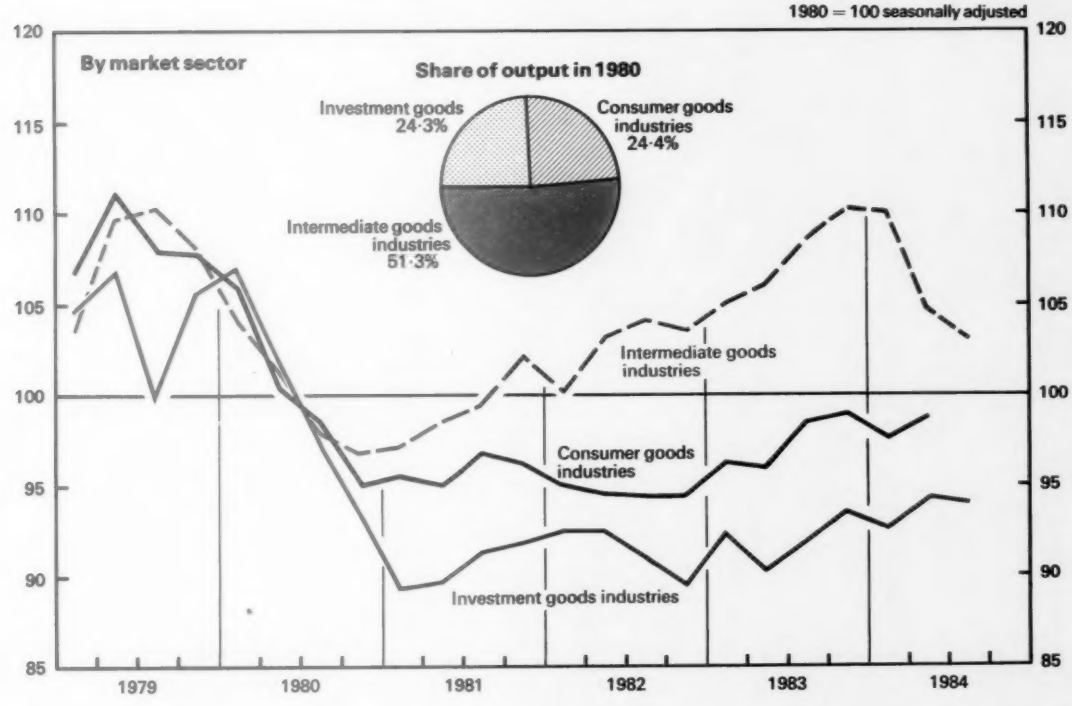
Index of output of the production and construction industries[1]

1980 = 100, seasonally adjusted

	Total production industries	Energy and water supply	Total manufacturing industries	Construction	Total production and construction	Consumer goods industries	Investment goods industries	Intermediate goods industries
1980 weights PPT of GDP(O)	1 000 361	264 95	736 266	 63[2]	 424	245 88	243 88	512 185
1978	103.1	85.0	109.6	105.1	103.4	108.5	105.7	99.3
1979	107.0	100.5	109.3	105.8	106.9	108.4	104.3	107.9
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	96.4	103.8	93.7	90.0	95.4	96.0	90.6	99.3
1982	98.1	110.0	93.7	91.7	97.1	94.6	91.4	102.7
1983	101.3	115.8	96.1	95.3	100.5	97.4	92.1	107.5
1979 *3*	107.0	104.0	108.1	107.7	107.1	108.0	100.2	110.3
4	107.2	99.9	109.8	107.0	107.3	107.7	105.5	108.0
1980 *1*	105.1	100.5	106.7	105.0	105.1	105.9	106.9	104.1
2	101.3	98.6	102.3	101.6	101.3	100.5	102.1	101.4
3	97.9	98.8	97.6	100.5	98.3	98.6	97.6	97.8
4	95.7	102.1	93.4	92.9	95.3	94.9	93.4	96.8
1981 *1*	94.9	101.8	92.5	92.4	94.6	95.6	89.4	97.1
2	95.6	103.4	92.8	89.6	94.6	95.2	89.8	98.4
3	96.9	103.3	94.6	91.0	96.0	96.8	91.4	99.5
4	98.1	106.9	94.9	86.8	96.4	96.3	91.8	102.0
1982 *1*	97.1	104.5	94.4	89.1	95.9	95.0	92.5	100.1
2	98.4	110.0	94.2	90.7	97.3	94.6	92.5	103.0
3	98.7	112.7	93.7	92.6	97.8	94.4	91.0	104.1
4	98.0	112.9	92.7	94.2	97.4	94.4	89.5	103.6
1983 *1*	99.9	113.8	94.9	93.6	99.0	96.2	92.5	105.1
2	99.8	114.5	94.5†	92.3	98.8	95.9	90.3	106.1
3	102.0	116.6	96.8	97.6	101.4	98.5	92.0	108.5
4	103.5	118.5	98.1	97.5	102.7†	99.0	93.6	110.2
1984 *1*	102.8†	117.9	97.4	96.9	101.9	97.5	92.7	110.1†
2	100.7	107.9†	98.1	97.9†	100.3	98.9†	94.3	104.6
3	100.5	104.2	99.1	100.8	100.5	99.2	95.7†	103.1
1982 *M*	99.0	109.0	95.4	..	..	96	94	103
J	97.7	110.5	93.1	..	..	93	92	103
J	98.2	111.4	93.4	..	..	94	91	103
A	98.7	113.4	93.4	..	..	94	90	105
S	99.3	113.4	94.2	..	..	95	92	105
O	98.4	113.8	92.9	..	..	95	90	104
N	96.9	110.5	92.0	..	..	93	89	102
D	98.8	114.5	93.2	..	..	95	90	105
1983 *J*	99.4	110.1	95.6	..	..	97	93	104
F	100.6	116.9	94.8	..	..	97	93	106
M	99.6	114.4	94.3	..	..	95	92	105
A	99.9	115.4	94.4	..	..	96	90	107
M	100.4	116.1	94.8	..	..	96	91	107
J	99.0†	111.9	94.4†	..	..	96	90	105
J	101.7	114.9	97.0	..	..	99	93	108
A	101.7	116.3	96.5	..	..	98	92	108
S	102.6	118.7	96.8	..	..	98	92	110
O	102.9	118.6	97.2	..	..	99	92	110
N	103.3	118.5	97.9	..	..	99	93	110
D	104.3	118.3	99.3	..	..	100	96	111
1984 *J*	103.3	120.0	97.3	..	..	97	93	111
F	103.0	119.7	97.0	..	..	98	92	111
M	102.1	114.1	97.8	..	..	98	93	108
A	101.2	109.6†	98.2	..	..	100†	94	105
M	100.2	107.3	97.6	..	..	99	94	104
J	100.7	106.7	98.6	..	..	98	95	105
J	99.9	104.7	98.2	..	..	99	95†	103
A	100.0	101.6	99.4	..	..	98	96	103
S	101.5	106.2	99.8	..	..	101	97	104
O	102.3	111.2	99.1	..	..	99	97	106†

[1] For an index of construction output for Great Britain, see page 30.

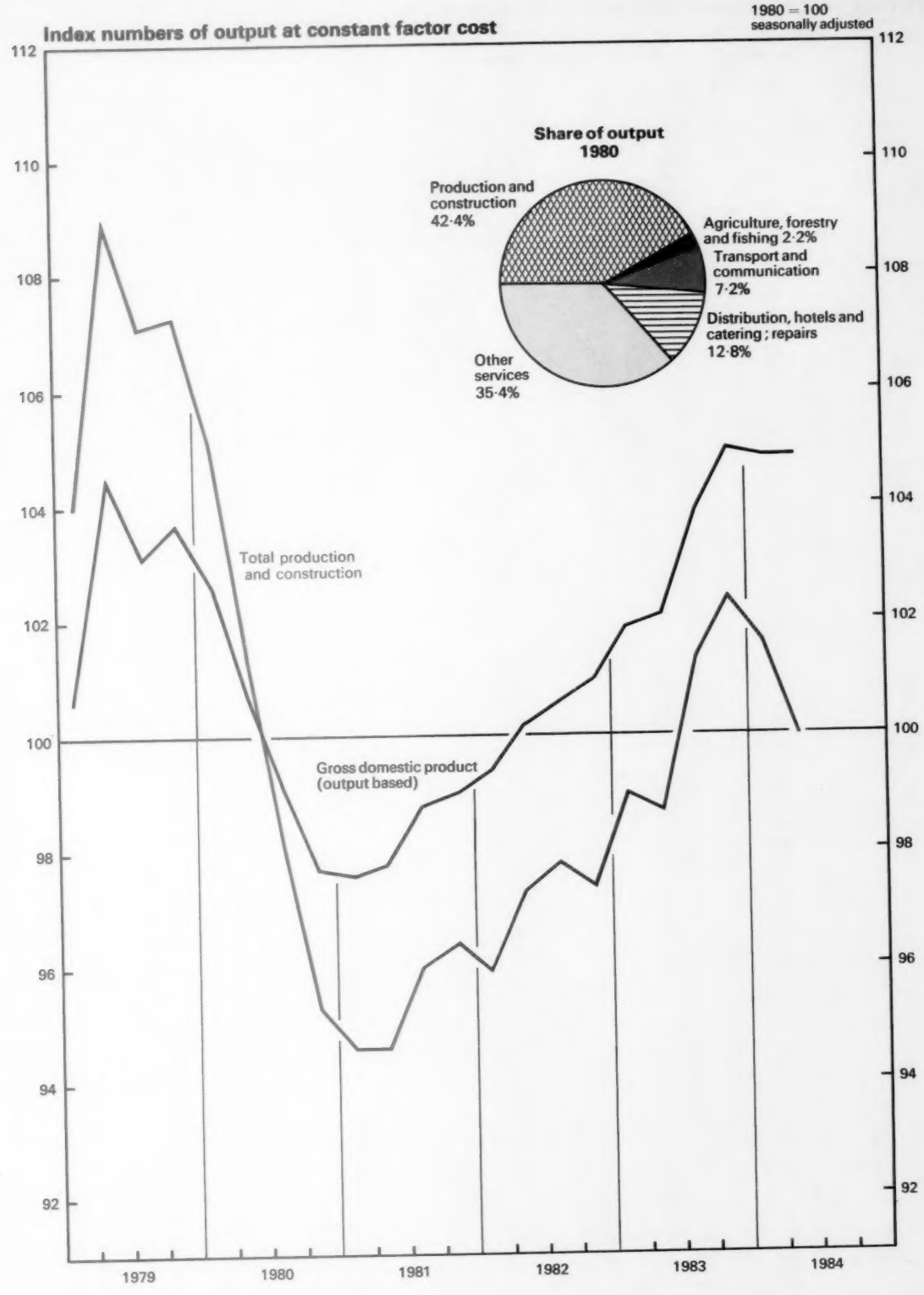

Index of output of the production industries
1980 = 100 seasonally adjusted
By industry
Share of output in 1980
Energy and water supply 26·4%
Manufacturing (revised definition) 73·6%
Production industries
Manufacturing industries
Monthly figures
120
115
110
105
100
95
90
85
1979
1980
1981
1982
1983
1984


1980 = 100 seasonally adjusted
By market sector
Share of output in 1980
Investment goods 24·3%
Consumer goods industries 24·4%
Intermediate goods industries 51·3%
Intermediate goods industries
Consumer goods industries
Investment goods industries
120
115
110
105
100
95
90
85
1979
1980
1981
1982
1983
1984

Index numbers of output at constant factor cost

	Seasonally adjusted					
	1980 = 100					
	Gross domestic product	Agriculture, forestry and fishing	Production and construction[1]	Distribution, hotels and catering; repairs	Transport and communication	Other services
1980 weights	*1 000*	*22*	*424*	*128*	*72*	*354*
1972	90.0	85.2	95.0	101.7	87.1	80.7
1973	95.2	87.8	102.6	106.5	93.7	83.3
1974	93.8	88.8	98.8	102.3	94.0	84.9
1975	92.0	81.9	93.5	98.6	92.8	88.1
1976	93.9	75.3	95.8	99.6	92.3	91.2
1977	96.5	85.1	99.8	99.0	94.9	92.8
1978	99.9	91.5	103.4	104.8	97.3	94.9
1979	103.0	90.6	106.9	107.9	101.6	97.6
1980	100.0	100.0	100.0	100.0	100.0	100.0
1981	98.3	103.1	95.4	98.3	98.9	101.3
1982	100.3	111.9	97.1	100.2	99.0	103.6
1983	103.2	107.2	100.4	104.0	102.4	106.3
1977 3	96.6	86	99.4	100	95	93
4	97.2	88	100.0	100	95	94
1978 1	97.7	90	100.6	101	97	94
2	99.7	92	103.8	104	97	94
3	100.8	92	104.7	107	97	95
4	101.1	92	104.5	108	98	96
1979 1	100.6	90	104.0	105	96	96
2	104.5	89	109.0	112	103	97
3	103.1	90	107.1	106	104	98
4	103.7	94	107.3	108	103	99
1980 1	102.6	97	105.1	104	103	99
2	100.7	100	101.3	101	101	100
3	99.1	101	98.3	98	99	100
4	97.7	101	95.3	97	98	101
1981 1	97.6	101	94.6	98	98	101
2	97.8	102	94.6	98	98	101
3	98.8	104	96.0	99	100	101
4	99.0	106	96.4	97	100	102
1982 1	99.2†	110	95.9	99	98	103
2	100.0	113	97.3	99	100	103
3	100.5	113	97.8	101	98	103
4	100.8	112	97.4	102	99	104
1983 1	101.8	108	99.0	102	101	105
2	102.1	106	98.8	103	102	106
3	103.8	107	101.4	105	103	106
4	104.9	109†	102.7	106	104	107
1984 1	104.8	111	101.9	105	103	108
2	104.7	114	100.3	107	104	109
3	105.2	115	100.5	108	105	109
	Percentage change, quarter on corresponding quarter of previous year					
1979 3	*+2.3*	*– 3*	*+ 2.3*	*– 1*	*+7*	*+3*
4	*+2.5*	*+ 2*	*+ 2.7*	*–*	*+5*	*+3*
1980 1	*+1.9*	*+ 8*	*+ 1.1*	*– 1*	*+7*	*+3*
2	*–3.6*	*+13*	*– 7.1*	*–10*	*–2*	*+3*
3	*–3.9*	*+13*	*– 8.2*	*– 8*	*–5*	*+2*
4	*–5.8*	*+ 8*	*–11.2*	*–11*	*–5*	*+2*
1981 1	*–4.8*	*+ 4*	*–10.0*	*– 6*	*–5*	*+2*
2	*–2.9*	*+ 2*	*– 6.6*	*– 2*	*–3*	*+1*
3	*–0.3*	*+ 2*	*– 2.3*	*+ 1*	*+1*	*+1*
4	*+1.3*	*+ 5*	*+ 1.2*	*+ 1*	*+2*	*+1*
1982 1	*+1.6*	*+ 8*	*+ 1.4*	+ 1	*–*	*+2*
2	*+2.3*	*+11*	*+ 2.9*	+ 1	*+2*	*+2*
3	*+1.8*	*+10*	*+ 1.9*	*+ 2*	*–2*	*+2*
4	*+1.8*	*+ 5*	*+ 1.0*	*+ 4*	*–*	*+2*
1983 1	*+2.6*	*– 2*	*+ 3.2*	*+ 3*	*+2**	*+2*
2	*+2.1*	*– 6*	*+ 1.5*	*+ 4*	*+2*	*+3*
3	*+3.3*	*– 6*	*+ 3.7*	*+ 4*	*+5*	*+3*
4	*+4.1*	*– 3*	*+ 5.4*	*+ 4*	*+5*	*+3*
1984 1	*+3.0*	*+ 4*	*+ 2.9*	*+ 3*	*+3*	*+3*
2	*+2.6*	*+ 7*	*+ 1.5*	*+ 4*	*+2*	*+3*
3	*+1.4*	*+ 8*	*– 0.9*	*+ 3*	*+2*	*+3*

[1] Revised definition, comprising Divisions 1–5 of the 1980 Standard Industrial Classification. Any differences between this column and the data on page 26 arise because the latter may be based on more recent information.


Index numbers of output at constant factor cost
1980 = 100
seasonally adjusted
112
110
108
106
104
102
100
98
96
94
92
Share of output
1980
Production and construction 42·4%
Agriculture, forestry and fishing 2·2%
Transport and communication 7·2%
Distribution, hotels and catering ; repairs 12·8%
Other services 35·4%
Total production and construction
Gross domestic product (output based)
1979
1980
1981
1982
1983
1984

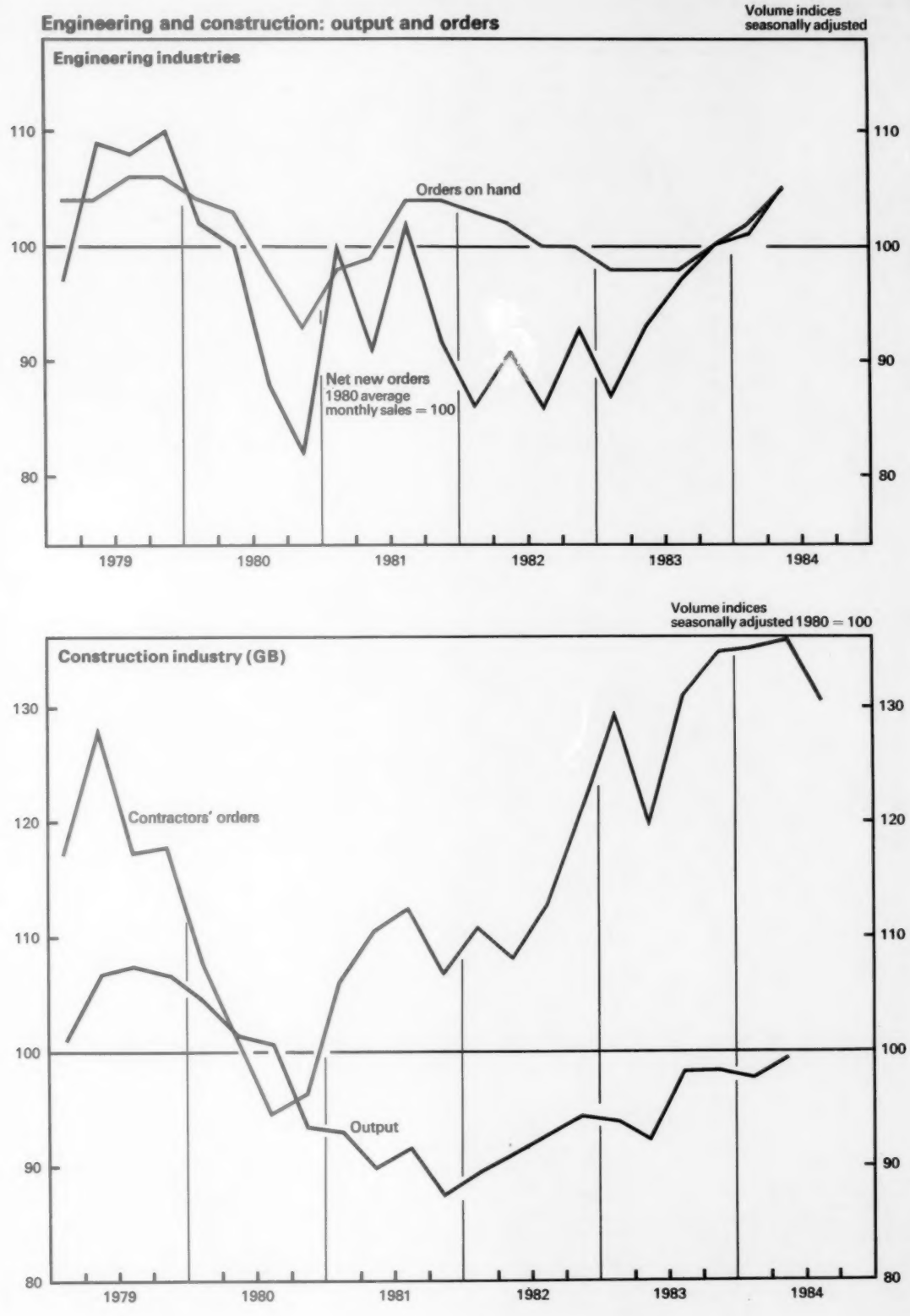
Engineering and construction: output and orders

Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3,4]	Orders received
		1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	1980 = 100	1980 = 100
1980		100	93	93	91	92	97	95	100.0	100.0
1981		90	104	96	102	94	111	99	90.5	109.1
1982		92	100	89	101	91	99	85	91.9	113.2
1983		94	100	94	98	94	106	94	95.7	128.8
1980	*1*	106	104	102	105	102	102	99	104.5	107.8
	2	102	103	100	102	97	103	104	101.4	101.4
	3	99	98	88	97	89	98	89	100.7	94.5
	4	93	93	82	91	80	97	93	93.5	96.3
1981	*1*	89	98	100	98	103	97	90	93.0	106.1
	2	90	99	91	99	94	95	84	89.9	110.7
	3	89	104	102	102	94	109	126	91.7	112.5
	4	90	104	92	102	90	111	97	87.3	106.9
1982	*1*	90	103	86	101	86	107	85	89.4	110.9
	2	90	102	91	101	91	108	94	91.0	108.1
	3	93	100	86	98	88	101	77	92.7	112.8
	4	90	100	93	101	96	99	83	94.4	120.9
1983	*1*	93	98	87	96	83	103	100	94.0	129.5
	2	93	98	93	95	92	105	93	92.3	119.8
	3	96	98	97	96	101	103	85	98.2	131.1
	4	96	100	100	98	101	106	97	98.3	134.8
1984	*1*	97	102	101	100	101	109	101	97.7	133.7
	2	98	105	104	101	100	116	115	98.7	134.8
	3	99	105	100	99	96	121	113	101.6[5]	128.4[5]
1981	*A*	90	103	103	102	79	107	174	..	119.8
	S	89	104	97	102	92	109	108	..	101.3
	O	92	105	91	102	87	111	104	..	110.9
	N	91	104	86	101	83	110	95	..	109.1
	D	88	104	96	102	98	111	90	..	100.9
1982	*J*	92	105	91	103	94	109	82	..	110.3
	F	93	104	89	103	91	107	87	..	108.6
	M	89	103	80	101	77	107	89	..	113.8
	A	89	104	99	103	101	108	94	..	100.3
	M	93	105	96	103	94	109	99	..	107.6
	J	89	102	81	101	78	108	91	..	116.3
	J	92	102	84	100	86	107	81	..	109.3
	A	92	101	85	99	86	105	81	..	100.5
	S	94	100	88	98	94	101	71	..	128.6
	O	91	101	98	101	103	101	81	..	114.3
	N	91	100	86	100	87	99	82	..	120.0
	D	90	100	97	101	100	99	83	..	128.5
1983	*J*	95	98	80	98	81	97	79	..	134.3
	F	93	98	95	97	86	102	126	..	122.5
	M	90	98	86	96	83	103	95	..	131.7
	A	94	98	99	95	93	107	116	..	128.2
	M	94	98	92	95	95	106	83	..	119.8
	J	90	98	87	95	89	105	80	..	111.4
	J	99	98	101	95	104	105	93	..	137.0
	A	94	97	91	95	96	103	75	..	121.8
	S	95	98	98	96	102	103	86	..	134.5
	O	96	98	96	96	99	104	90	..	127.8
	N	93	99	98	97	99	105	98	..	138.5
	D	98	100	106	98	106	106	105	..	138.0
1984	*J*	98	100	100	99	102	106	95	..	135.3
	F	95	102	102	99	100	108	108	..	131.3
	M	97	102	101	100	101	109	99	..	134.5
	A	98	104	108	101	109	111	105	..	123.4
	M	95	105	100	101	94	114	120	..	129.1
	J	101	105	103	101	97	116	121	..	151.8
	J	100	105	104	101	98	120	120	..	126.1
	A	97	104	87	98	81	120	107	..	133.0
	S	102	105	110	99	109	121	111	..	125.9[5]
	O									142.0[5]

[1] Mechanical, instrument and electrical engineering (SIC classes 32, 37, 34).
[2] Net of cancellations.
[3] This index is based on an output series which includes repair and maintenance estimates, unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.
[5] Provisional.

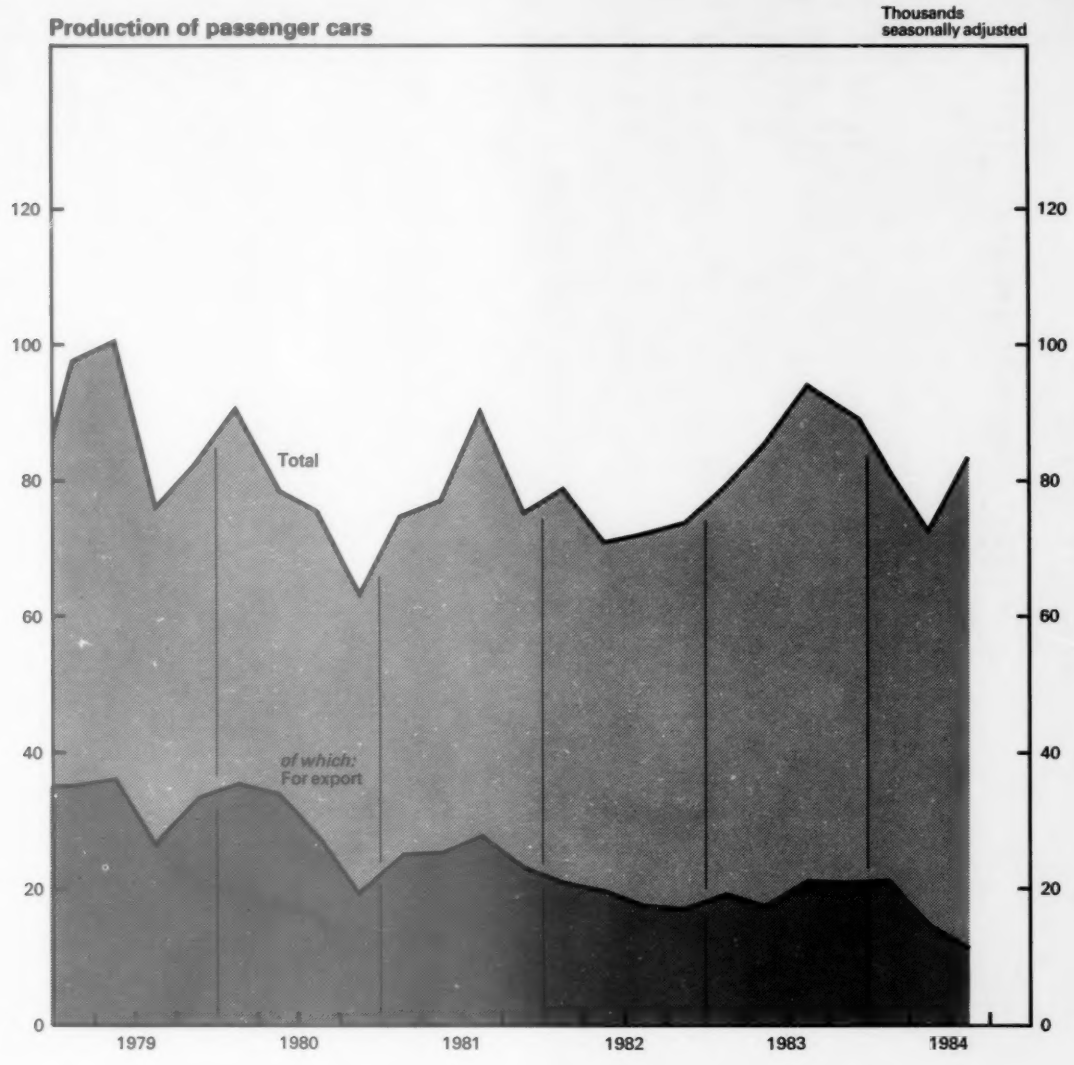
Engineering and construction: output and orders

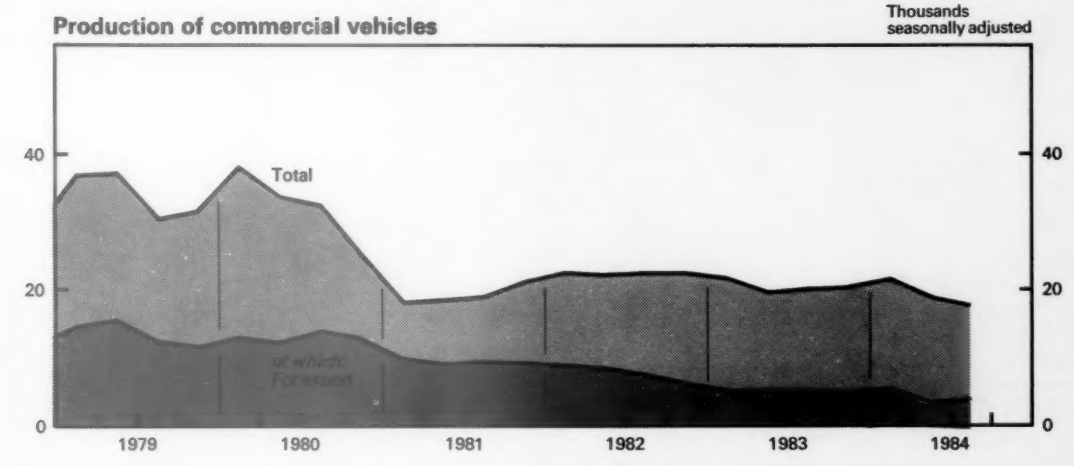


Motor vehicle production and steel production and consumption

	Seasonally adjusted					
	Thousands[1]				Thousand tonnes	
	Passenger cars§		Commercial vehicles§			
	Total	*of which:* For export	Total	*of which:* For export	Crude steel production[2,3]	Finished steel consumption
1973	145.6	50.4	34.7	13.3	26 594	18 445
1974	127.8	49.7	33.5	14.2	22 323	17 548
1975	105.6	44.3	31.7	15.5	20 098	15 446
1976	111.1	47.1	31.0	15.8	22 274	15 804
1977	109.7	46.9	33.2	16.4	20 411	15 300
1978	101.9	41.2	32.0	14.1	20 311	15 710
1979	89.2	32.7	34.0	13.5	21 464	15 480
1980	77.0	29.1	32.4	13.0	11 277	12 770
1981	79.5	25.4	19.1	9.5	15 573	12 440
1982	74.0	18.9	22.4	7.7	13 704	12 300
1983	87.0	19.8	20.4	5.2	14 986	11 620
1980 *2*	78.6	34.0	33.8	12.1	4 098	3 460
3	75.8	27.5	32.4	14.0	3 498	3 146
4	62.6	19.2	25.3	12.9	3 027	3 049
1981 *1*	74.7	25.0	18.1	9.9	3 585	2 994
2	77.0	25.3	18.3	9.3	3 892	3 024
3	90.8	27.9	19.1	9.6	3 813	3 272
4	75.5	23.3	21.2	9.4	4 018	3 150
1982 *1*	79.1	20.6	22.3	8.8	4 030	3 228
2	70.9	19.8	22.2	8.4	3 840	3 232
3	72.1	17.7	22.5	7.5	3 054	2 960
4	73.9	17.2	22.5	6.1	2 720	2 880
1983 *1*	79.3	19.4	21.7	5.2	3 768	2 841
2	85.7	17.6	19.6	5.3	3 813	2 919
3	94.1	21.2	20.0	5.3	3 690	2 854
4	89.1	21.0	20.2	5.1	3 662	3 006
1984 *1*	81.9	21.2	21.7	5.3	3 963	2 876
2	72.7	14.9	19.2	3.6	3 604	2 742
3	83.6	11.3	17.8	4.0	3 743	2 975
1982 *S*	70.0	15.3	25.0	8.5	1 101	..
O	77.1	18.6	23.1	6.5	864	..
N	67.8	16.0	23.1	6.5	892	..
D	76.8	17.0	21.4	5.4	964	..
1983 *J*	78.4	20.3	23.4	5.0	1 061	..
F	78.7	17.7	20.8	4.9	1 205	..
M	80.7	20.1	20.9	5.8	1 512	..
A	66.0	15.6	20.5	4.9	1 116	..
M	100.1	20.4	20.4	5.4	1 241	..
J	91.1	16.8	18.0	5.7	1 456	..
J	91.0	18.4	18.6	5.0	1 094	..
A	99.3	25.0	21.6	5.5	1 339	..
S	91.9	20.2	19.7	5.3	1 258	..
O	86.6	18.6	19.0	4.1	1 131	..
N	94.2	23.2	21.3	5.5	1 454	..
D	86.6	21.1	20.3	5.7	1 076	..
1984 *J*	91.2	28.1	22.6	6.4	1 164	..
F	79.0	18.1	22.1	5.1	1 560	..
M	75.4	17.3	20.4	4.4	1 239	..
A	73.1	14.7	21.6	3.6	1 112	..
M	79.6	14.9	19.9	3.6	1 331	..
J	65.3	15.2	16.2	3.6	1 160	..
J	80.6	7.5	19.0	3.6	1 262	..
A	87.0	12.2	16.3	3.8	1 271	..
S	83.3	14.3	18.2	4.7	1 210	..
O	78.5	14.8	17.6	3.8	1 575	

[1] Monthly averages or standardised calendar months.
[2] The totals are for 'usable steel' in accordance with the system used by the European Community and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] September and December 1982 are five week periods, as are March, June, August and November 1983 and February, May, August and October 1984.


Production of passenger cars
Thousands
seasonally adjusted
120
100
80
60
40
20
0
Total
of which:
For export
1979
1980
1981
1982
1983
1984

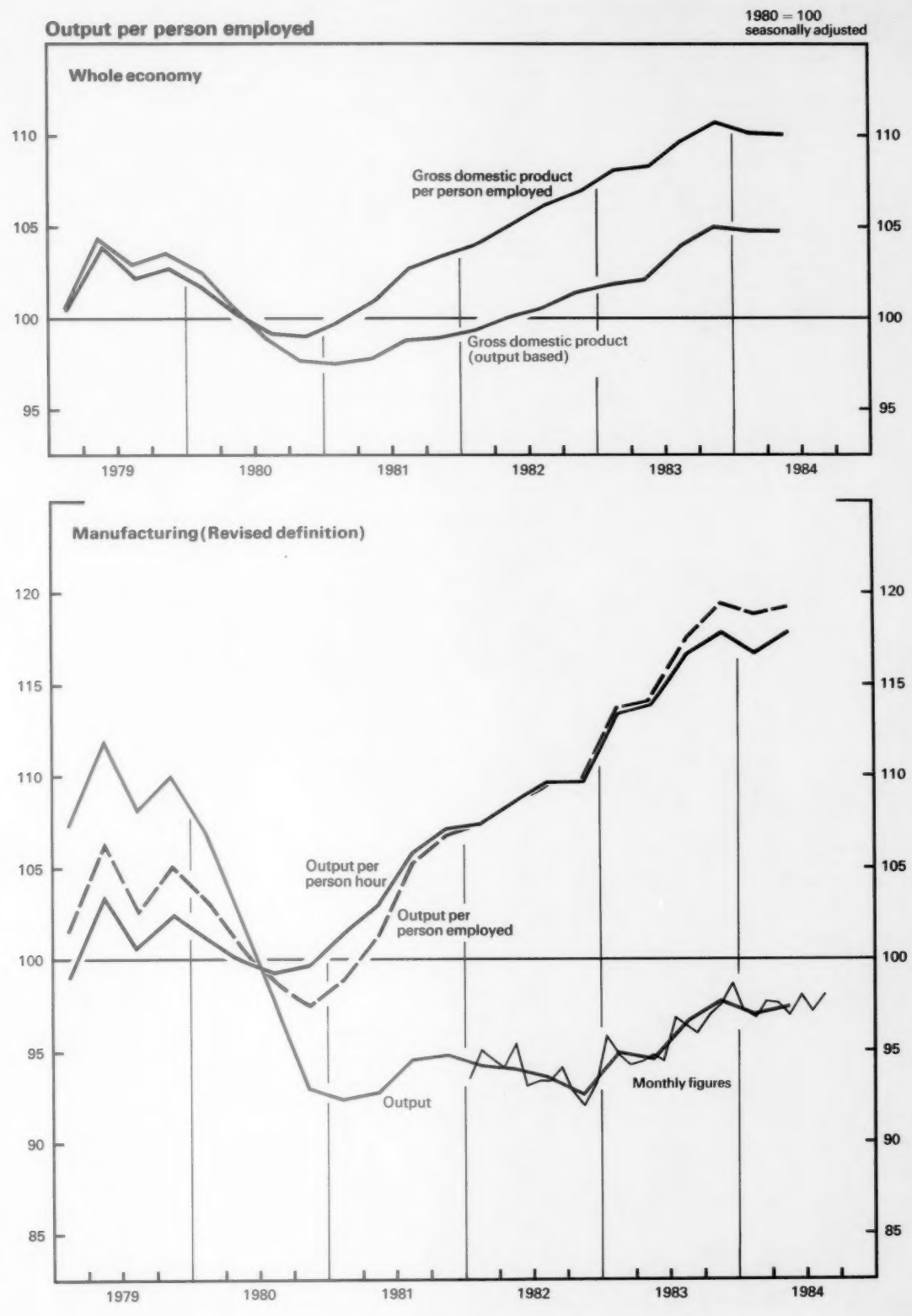

Production of commercial vehicles
Thousands
seasonally adjusted
40
20
0
Total
of which:
For export
1979
1980
1981
1982
1983
1984

Output per person employed

1980 = 100, seasonally adjusted

	Total employed labour force	Employment		Output per person employed[1]			Output per hour in manufacturing industries[2]
		Total production industries[2]	Manufacturing industries[2]	Whole economy	Total production industries[2]	Manufacturing industries[2]	
1979	100.7	104.2	105.3	102.3	102.7	103.9	101.3
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	96.6	91.3	91.0	101.8	105.7	103.1	104.4
1982	95.1	86.8	86.3	105.6	113.1	108.8	108.8
1983	94.5	83.2	82.7	109.2	122.0	116.3	115.5
1980 2	100.6	101.4	101.6	100.1	99.9	100.7	99.9
3	99.8	99.2	98.9	99.3	98.7	98.7	99.3
4	98.7	96.6	95.9	99.0	99.1	97.4	99.6
1981 1	97.7	93.8	93.5	99.9	101.3	98.9	101.6
2	96.8	91.6	91.5	101.0	104.3	101.4	103.1
3	96.2	90.4	90.0	102.7	107.2	105.2	105.8
4	95.8	89.3	88.9	103.4	109.9	106.8	107.1
1982 1	95.6	88.4	88.0	104.0	109.9	107.4	107.4
2	95.3	87.4	86.9	105.1	112.6	108.5	108.6
3	94.8	86.2	85.6	106.2	114.5	109.5	109.6
4	94.5	85.1	84.5	106.9	115.2	109.8	109.6
1983 1	94.3	84.1	83.5	108.1	118.8	113.8	113.5
2	94.3	83.3	82.9	108.3	120.0	114.2	113.9
3	94.6	82.8	82.4	109.8	123.3	117.5	116.8
4	94.9	82.4	82.2	110.7	125.6	119.5	117.9
1984 1	95.2	82.1	81.9	110.1	125.2	119.0	117.4
2	95.3	81.9	81.8	110.0	123.0	120.0	118.6
3	..	81.8..	81.7	..	122.8	121.4	120.2
1983 A	..	..	83.1	..	..	113.7	113.4
M	..	..	82.8	..	..	114.6	114.2
J	..	..	82.7	..	..	114.3	114.1
J	..	..	82.5	..	..	117.6	117.1
A	..	..	82.5	..	..	117.1	116.3
S	..	..	82.2	..	..	117.8	116.9
O	..	..	82.1	..	..	118.5	117.0
N	..	..	82.3	..	..	119.1	117.4
D	..	..	82.1	..	..	121.0	119.4
1984 J	..	..	82.0	..	..	118.8	117.2
F	..	..	81.8	..	..	118.6	117.0
M	..	..	81.8	..	..	119.6	118.1
A	..	..	81.8	..	..	120.1	118.6
M	..	..	81.8	..	..	119.4	118.0
J	..	..	81.9	..	..	120.5	119.1
J	..	..	81.8	..	..	112.0	119.0
A	..	..	81.6	..	..	121.9	120.7
S	..	..	81.8	..	..	122.1	120.9
O	..	..	81.9	..	..	121.1	119.5
	Percentage change, quarter on corresponding quarter of previous year						
1980 2	—	−2.9	− 3.7	−3.7	− 4.6	−5.3	−3.4
3	−1.1	−4.8	− 6.1	−2.8	− 3.9	−3.9	− 1.2
4	−2.4	−6.8	− 8.3	−3.5	− 4.3	−7.3	−2.7
1981 1	−3.3	−8.8	− 9.6	−1.7	− 1.0	−4.2	+0.4
2	−3.8	−9.7	−10.0	+0.9	+ 4.4	+0.7	+3.2
3	−3.6	−8.9	− 9.1	+3.4	+ 8.6	+6.7	+6.5
4	−2.9	−7.6	− 7.3	+4.4	+10.9	+9.7	+7.5
1982 1	−2.1	−5.8	− 6.0	+3.9	+ 8.5	+8.6	+5.8
2	−1.5	−4.6	− 5.0	+4.0	+ 8.0	+6.9	+5.3
3	−1.5	−4.6	− 4.8	+3.2	+ 6.8	+4.0	+3.6
4	−1.4	−4.7	− 4.9	+3.2	+ 4.8	+2.7	+2.4
1983 1	−1.4	−4.9	− 5.1	+4.0	+ 8.1	+5.9	+5.6
2	−1.0	−4.7	− 4.6	+3.1	+ 6.6	+5.3	+4.9
3	−0.2	−3.9	− 3.8	+3.6	+ 7.7	+7.3	+6.5
4	+0.4	−3.2	− 2.8	+3.7	+ 9.2	+8.9	+7.6
1984 1	+1.0	−2.4	− 1.9	+2.0	+ 5.4	+4.6	+3.5
2	+1.1	−1.7	− 1.2	+1.5	+ 2.5	+5.1	+4.1
3	..	−1.2	− 0.8	..	− 0.4	+3.3	+2.9

[1] The ratios do not take into account part-time working or hours of work.
[2] Industries are grouped according to the Standard Industrial Classification 1980.


Output per person employed
1980 = 100
seasonally adjusted
Whole economy
110
105
100
95
Gross domestic product
per person employed
Gross domestic product
(output based)
1979
1980
1981
1982
1983
1984
Manufacturing (Revised definition)
120
115
110
105
100
95
90
85
Output per
person hour
Output per
person employed
Output
Monthly figures

National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands		1980 = 100	Thousands
	Working population[2,3,4]	Employed labour force[2,3]	Employees in employment[2,3]	Thousands[4]	Percentage of employees[4,5]	Vacancies notified to employment offices[5]	Employees in employment	Average hours worked per operative[6]	Total unemployed including school-leavers[4]
1975	25 922	25 041	22 711	..	*3.9*	154.4	..	..	940.9
1976	26 131	24 809	22 524	..	*5.2*	122.2	..	103.0	1 301.7
1977	26 241	24 837	22 606	..	*5.6*	154.7	..	103.8	1 402.7
1978	26 372	24 984	22 762	..	*5.5*	210.3	106.3	103.5	1 382.9
1979	26 646	25 356	23 139	..	*5.1*	241.3	105.5	103.4	1 295.7
1980	26 869	25 284	22 950	..	*6.4*	143.0	100.0	100.0	1 664.9
1981	26 781	24 297	21 845	..	*9.9*	97.0	90.8	98.7	2 520.4
1982	26 831	23 959	21 446	..	*11.5*	111.3	86.0	100.5	2 916.9
1983	26 856	23 765	21 182	..	*12.3*	145.1	82.3	101.5	3 104.7
1981 *1*	26 840	24 520	22 094	2 166.0	*8.9*	96.9	92.6	96.8	2 305.7
2	26 780	24 296	21 844	2 362.2	*9.7*	90.4	90.6	98.6	2 391.8
3	26 874	24 189	21 718	2 515.1	*10.4*	97.0	89.4	100.2	2 615.6
4	26 836	24 077	21 591	2 609.1	*10.8*	103.7	88.2	100.2	2 768.4
1982 *1*	26 857	24 055	21 555	2 679.4	*11.1*	108.9	87.5	100.7	2 862.4
2	26 831	23 959	21 446	2 742.5	*11.3*	108.7	86.2	100.6	2 796.2
3	26 828	23 828	21 296	2 837.5	*11.7*	111.9	85.0	100.4	2 939.2
4	26 853	23 764	21 218	2 913.2	*12.0*	115.7	83.8	100.8	3 069.7
1983 *1*	26 876	23 725	21 162	3 003.0	*12.5*	121.5	82.9	101.2	3 199.0
2	26 856	23 765	21 182	2 986.2	*12.4*	137.0	82.3	100.9	3 067.7
3	26 928	23 831	21 229	2 949.8	*12.3*	160.5	81.8	101.8	3 066.0
4	27 011	23 944	21 323	2 941.9	*12.2*	161.5	81.7	102.6	3 085.9
1984 *1*	27 101	23 981	21 342	2 997.6	*12.5*	146.8	81.3	102.5	3 176.3
2	27 149	24 008	21 351	3 025.6	*12.6*	154.1	81.4	102.3	3 074.0
3	..	..	..	3 075.6	*12.8*	165.1	..	..	3 166.7
1982 *F*	..	..	..	2 679.8	*11.1*	109.8	87.7	100.6	2 870.2
M	..	..	..	2 687.9	*11.1*	109.1	87.5	100.7	2 820.8
A	..	..	..	2 715.1	*11.2*	108.7	87.0	100.3	2 818.5
M	..	..	..	2 739.8	*11.3*	109.0	86.6	100.5	2 800.5
J	..	..	..	2 772.7	*11.5*	108.5	86.2	100.6	2 769.6
J	..	..	..	2 813.8	*11.6*	112.1	85.7	100.3	2 852.5
A	..	..	..	2 832.4	*11.7*	113.0	85.3	100.4	2 898.8
S	..	..	..	2 866.4	*11.9*	110.7	85.0	100.4	3 066.2
O	..	..	..	2 885.4	*11.9*	115.4	84.6	100.7	3 049.0
N	..	..	..	2 905.5	*12.0*	115.2	84.1	100.7	3 063.0
D	..	..	..	2 948.8	*12.2*	116.5	83.8	100.8	3 097.0
1983 *J*	..	..	..	2 982.7	*12.4*	118.3	83.3	100.9	3 225.2
F	..	..	..	3 000.6	*12.5*	121.3	83.2	100.9	3 199.4
M	..	..	..	3 025.7	*12.6*	124.9	82.9	101.2	3 172.4
A	..	..	..	3 021.1	*12.6*	133.7	82.7	101.0	3 169.9
M	..	..	..	2 989.9	*12.3*	134.0	82.4	101.1	3 049.4
J	..	..	..	2 967.7	*12.3*	143.3	82.3	100.9	2 983.9
J	..	..	..	2 957.3	*12.3*	153.9	82.1	101.3	3 020.6
A	..	..	..	2 940.9	*12.2*	160.5	82.0	101.6	3 009.9
S	..	..	..	2 951.3	*12.3*	167.0	81.8	101.8	3 167.4
O	..	..	..	2 941.0	*12.2*	168.1	81.7	102.5	3 094.0
N	..	..	..	2 938.5	*12.2*	163.2	81.8	102.7	3 084.4
D	..	..	..	2 946.1	*12.2*	153.3	81.7	102.6	3 079.4
1984 *J*	..	..	..	2 976.0	*12.4*	147.6	81.5	102.6	3 199.7
F	..	..	..	3 005.1	*12.5*	145.4	81.4	102.7	3 186.4
M	..	..	..	3 011.6	*12.5*	147.3	81.3	102.5	3 142.8
A	..	..	..	3 010.9	*12.5*	147.9	81.3	102.5	3 107.7
M	..	..	..	3 027.9	*12.6*	155.7	81.3	102.3	3 084.5
J	..	..	..	3 038.0	*12.6*	158.7	81.4	102.3	3 029.7
J	..	..	..	3 054.6	*12.7*	164.2	81.3	102.1	3 100.5
A	..	..	..	3 073.9	*12.8*	161.6	81.1	102.1	3 115.9
S	..	..	..	3 096.5	*12.9*	169.6	81.3	102.1	3 283.6
O	..	..	..	3 099.7	*12.9*	170.5	81.4		3 225.1
N	..	..	..	3 103.2	*12.9*	167.6			3 222.6

[1] Unemployment figures do not include students registered for temporary employment during a current vacation.

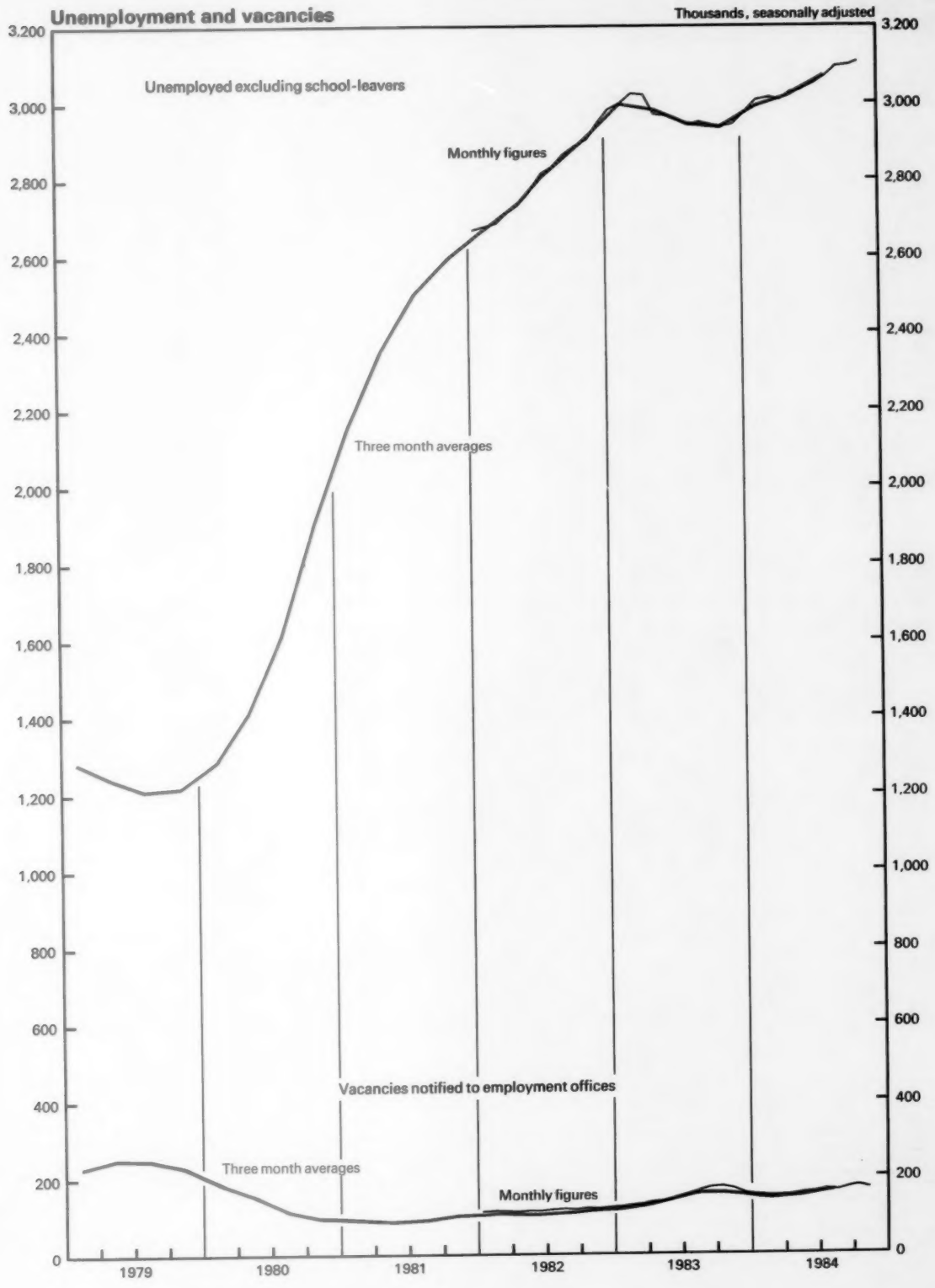
[2] The working population consists of the employed labour force and the unemployed (claimants); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment. Estimates of the working population and of the employed labour force from September 1981, and employees in employment from December 1981, include an allowance for underestimation. See article on Page 319 of *Employment Gazette* July 1984.

[3] Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December respectively.

[4] From April 1 1983, the figures reflect the effects of the provisions in the 1983 Budget for some men aged 60 and over who no longer have to sign on at an unemployment benefit office.

[5] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed).

[6] The indices are based on SIC 1980 definition of manufacturing industry.


Unemployment and vacancies
Thousands, seasonally adjusted
Unemployed excluding school-leavers
Monthly figures
Three month averages
Vacancies notified to employment offices
Three month averages
Monthly figures
3,200
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
1979
1980
1981
1982
1983
1984

Regional unemployment rates[1]

Seasonally adjusted

Per cent

		North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
1978	*3*	8.0	5.5	4.5	4.6	3.8	5.9	5.0
	4	8.0	5.3	4.4	4.5	3.6	5.6	4.9
1979	*1*[2]	8.0	5.4	4.4	4.4	3.5	5.5	4.9
	2[2]	7.8	5.2	4.2	4.2	3.4	5.3	4.9
	3[2]	7.8	5.1	4.1	4.0	3.2	5.1	4.9
	4[2]	7.9	5.1	4.2	3.9	3.1	5.0	4.9
1980	*1*[2]	8.4	5.5	4.4	4.0	3.3	5.1	5.2
	2[2]	9.2	6.2	5.0	4.5	3.6	5.5	5.9
	3[2]	10.0	7.1	6.0	5.3	4.2	6.3	7.1
	4[2]	11.3	8.5	7.2	6.3	5.1	7.3	8.9
1981	*1*[2]	13.0	9.9	8.4	7.3	5.9	8.1	10.5
	2[2]	13.7	10.7	9.2	7.9	6.6	8.8	11.7
	3[2,3]	14.5	11.4	9.6	8.3	7.2	9.3	12.5
	4[2,3]	14.9	11.8	9.9	8.7	7.6	9.7	13.0
1982	*1*	15.0	12.1	10.1	9.0	7.9	9.9	13.6
	2	15.4	12.4	10.3	9.1	8.1	10.0	13.8
	3	16.1	12.7	10.6	9.4	8.4	10.3	14.2
	4	16.3	13.1	11.0	10.0	8.7	10.7	14.6
1983	*1*	16.9	13.7	11.7	10.1	9.0	11.2	15.2
	2[4]	16.9	13.5	11.4	9.9	9.0	10.8	15.2
	3	16.6	13.2	11.2	9.7	8.9	10.6	14.8
	4	16.6	13.1	11.1	9.6	9.0	10.7	14.5
1984	*1*	16.9	13.4	11.5	9.8	9.2	11.0	14.5
	2	17.3	13.6	11.6	9.8	9.3	11.0	14.6
	3	17.6	13.8	11.9	10.0	9.5	11.3	14.7

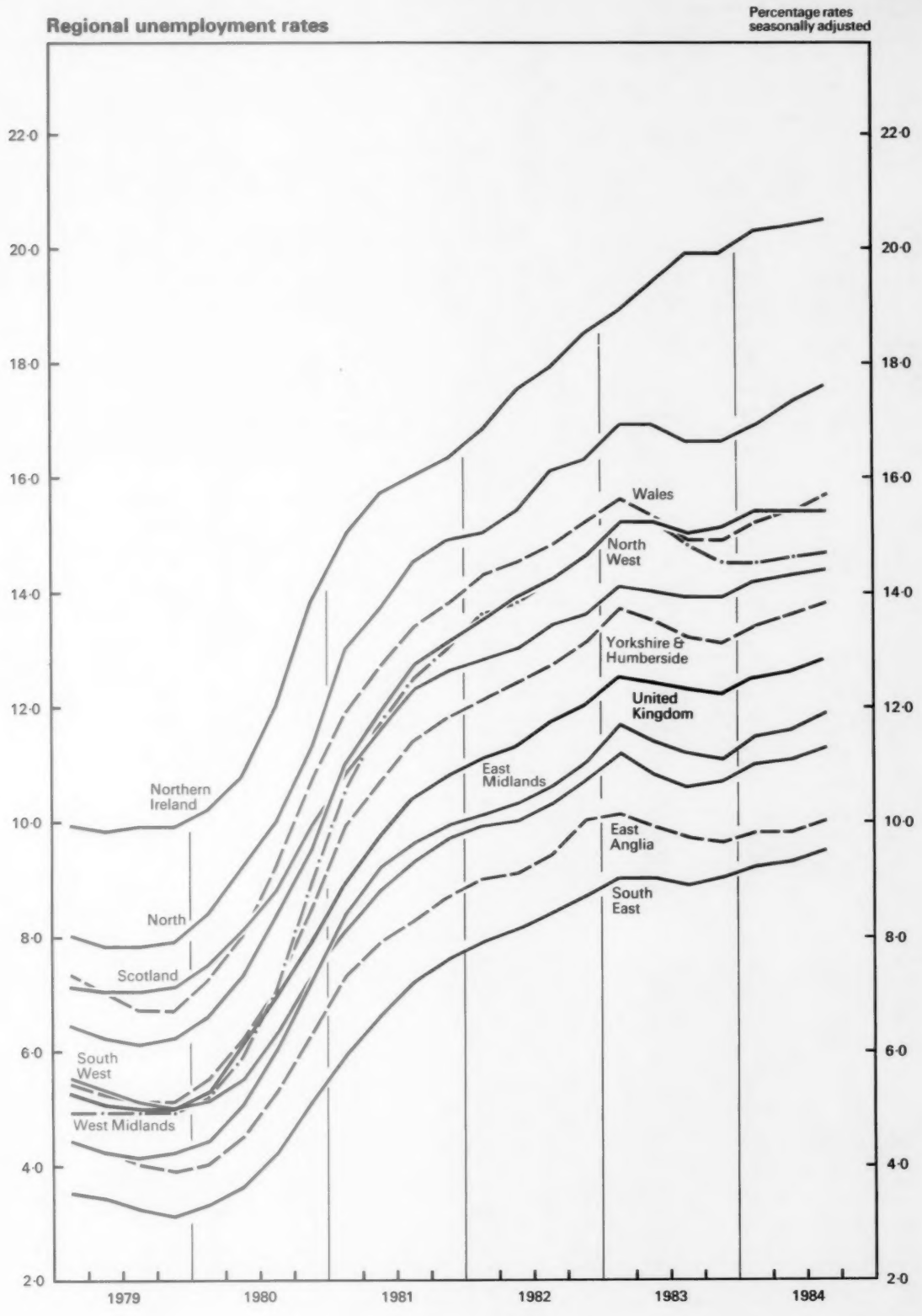
		North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1978	*3*	6.6	7.3	7.2	5.4	10.3	5.5
	4	6.4	7.1	7.1	5.2	9.9	5.3
1979	*1*[2]	6.4	7.3	7.1	5.2	9.9	5.3
	2[2]	6.2	7.0	7.0	5.0	9.8	5.1
	3[2]	6.1	6.7	7.0	4.9	9.9	5.0
	4[2]	6.2	6.7	7.1	4.9	9.9	5.0
1980	*1*[2]	6.6	7.2	7.5	5.2	10.2	5.3
	2[2]	7.3	8.0	8.1	5.7	10.8	5.8
	3[2]	8.2	9.2	8.8	6.5	12.0	6.7
	4[2]	9.5	10.7	9.9	7.7	13.8	7.9
1981	*1*[2]	11.0	11.9	10.8	8.8	15.0	8.9
	2[2]	11.9	12.7	11.6	9.6	15.7	9.7
	3[2,3]	12.7	13.4	12.3	10.2	16.0	10.4
	4[2,3]	13.1	13.8	12.6	10.6	16.3	10.8
1982	*1*	13.5	14.3	12.8	10.9	16.8	11.1
	2	13.9	14.5	13.0	11.2	17.5	11.3
	3	14.2	14.8	13.4	11.6	17.9	11.7
	4	14.6	15.2	13.6	11.9	18.5	12.0
1983	*1*	15.2	15.6	14.1	12.3	18.9	12.5
	2[4]	15.2	15.3	14.0	12.2	19.4	12.4
	3	15.0	14.9	13.9	12.1	19.9	12.3
	4	15.1	14.9	13.9	12.0	19.9	12.2
1984	*1*	15.4	15.2	14.2	12.3	20.3	12.5
	2	15.4	15.4	14.3	12.4	20.4	12.6
	3	15.4	15.7	14.4	12.6	20.5	12.8

[1] **Numbers unemployed** excluding school-leavers expressed as a percentage of the appropriate **mid-year estimate of total employees** (employed and unemployed).

[2] The **seasonally adjusted series** have been revised as described in the December 1982 *Employment Gazette*.

[3] The recorded unemployment figures for July to October 1981 are overstated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted totals for Great Britain and the United Kingdom have been reduced to allow for this. No adjustment has been made to other unemployment figures.

[4] From 1 April 1983, the figures reflect the effects of the provisions in the 1983 Budget for some men aged sixty and over who no longer have to sign on at an unemployment benefit office.

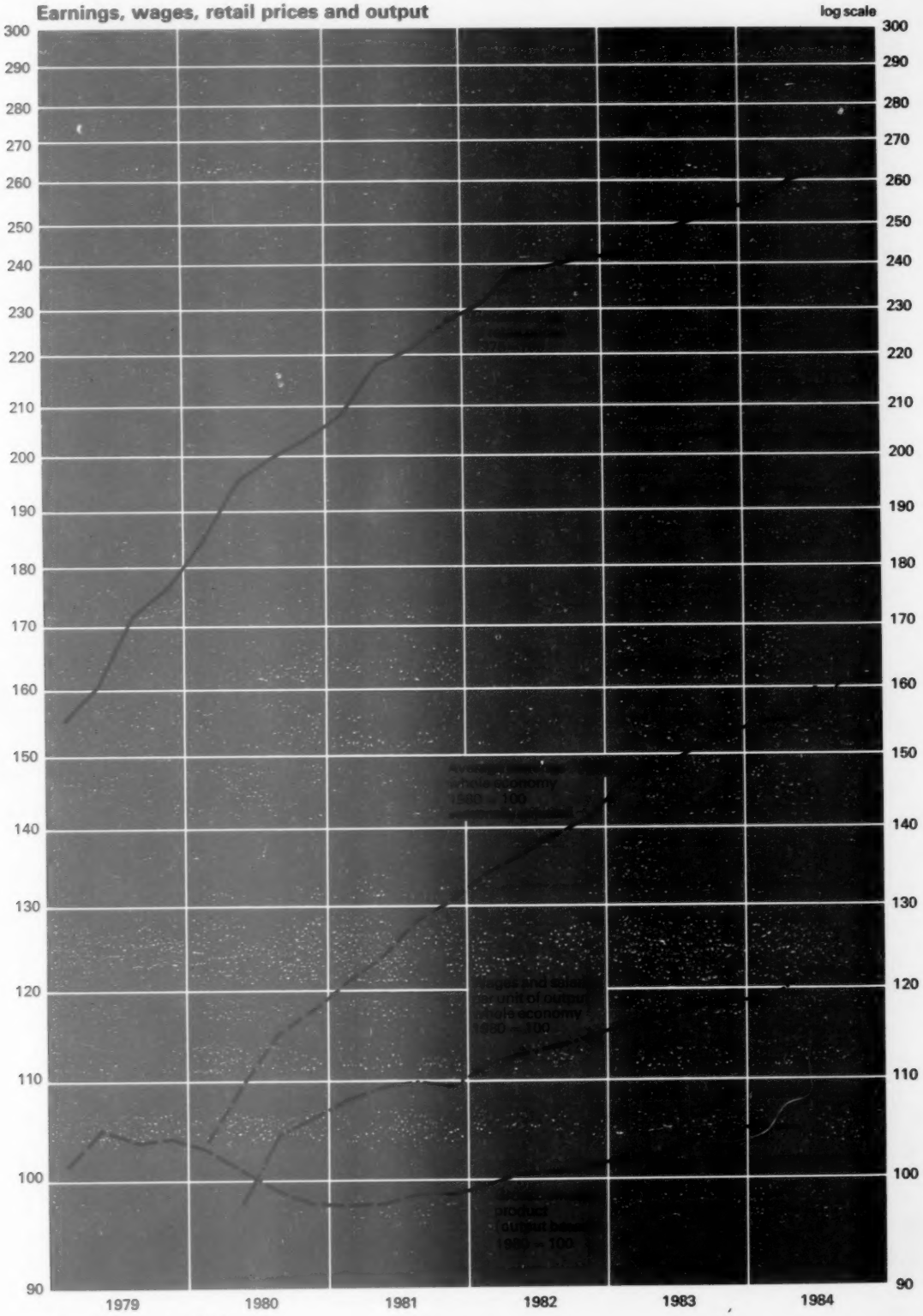

Regional unemployment rates
Percentage rates seasonally adjusted
22·0
20·0
18·0
16·0
14·0
12·0
10·0
8·0
6·0
4·0
2·0
1979
1980
1981
1982
1983
1984
Wales
North West
Yorkshire & Humberside
United Kingdom
East Midlands
East Anglia
South East
Northern Ireland
North
Scotland
South West
West Midlands

Wage rates and earnings

	Unadjusted		Seasonally adjusted[1]							
	31 July 1972 = 100[2]		January 1980 = 100						1980 = 100	
	Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	Whole economy	*Percentage increase on year earlier*	Production industries[4]	*Percentage increase on year earlier*	Manufacturing industry[4]	*Percentage increase on year earlier*	Whole economy	Manufacturing industry[5]
1973	115.3	114.6	..	..	..	..	..	..	34.9	33.9
1974	138.0	134.3	..	..	..	..	..	..	42.5	40.3
1975	178.7	174.4	..	..	..	..	..	..	55.4	52.2
1976	213.2	209.0	..	..	..	..	..	..	60.9	57.8
1977	227.3	218.9	..	..	..	..	..	..	65.0	62.7
1978	259.3	258.8	..	..	..	..	..	..	72.4	71.1
1979	298.1	297.5	..	..	..	..	..	..	82.7	81.9
1980	351.8	348.5	111.4	..	109.3	..	109.1	..	100.0	100.0
1981	387.7	381.7	125.8	*12.9*	124.1	*13.5*	123.6	*13.3*	108.7	109.7
1982	414.3	404.1	137.6	*9.4*	138.2	*11.4*	137.4	*11.2*	112.8	115.6
1983	437.8	424.7	149.2	*8.4*	150.0	*8.5*	149.8	*9.0*	117.7	117.9
1981 *3*	391.2	383.2	128.1	*11.6*	126.7	*12.8*	126.2	*12.6*	109.0	109.7
4	396.8	391.4	130.9	*11.2*	130.1	*13.6*	129.8	*13.6*	109.5	111.2
1982 *1*	404.5	397.6	133.9	*11.0*	134.0	*13.1*	133.1	*12.9*	111.2	113.4
2	413.0	401.8	136.4	*10.3*	136.9	*13.0*	136.4	*13.1*	112.2	115.0
3	417.3	404.5	139.0	*8.5*	139.3	*9.9*	138.5	*9.7*	113.1	115.8
4	422.7	412.3	141.2	*7.9*	142.6	*9.6*	141.7	*9.2*	114.4	118.2
1983 *1*	429.3	419.1	146.0	*9.0*	145.0	*8.2*	144.6	*8.6*	116.4	116.4
2	436.2	422.2	147.9	*8.4*	148.4	*8.4*	148.0	*8.5*	116.5	118.7
3	440.0	424.7	150.4	*8.2*	151.4	*8.7*	151.0	*9.0*	118.2	117.6
4	445.6	432.7	152.5	*8.0*	155.3	*8.9*	155.5	*9.7*	118.7	119.1
1984 *1*			154.9	*6.1*	155.8	*7.4*	158.3	*9.5*	118.7	121.7
2			155.9	*5.4*	155.1	*4.6*	160.0	*8.1*	120.8	122.0
3			159.1	*5.8*	159.2	*5.2*	164.2	*8.7*	121.6	123.8
1981 *O*	393.0	386.2	130.2	*12.0*	129.9	*14.6*	129.4	*14.5*	..	110.1
N	398.7	394.0	130.8	*11.5*	130.0	*13.5*	129.9	*13.4*	..	110.8
D	398.8	394.0	131.7	*10.1*	130.5	*13.0*	130.2	*12.7*	..	112.7
1982 *J*	403.6	397.2	132.8	*10.9*	132.6	*13.0*	132.0	*13.3*	..	113.8
F	404.5	397.8	134.3	*11.3*	134.7	*13.5*	132.8	*12.4*	..	112.3
M	405.3	397.9	134.7	*11.0*	134.6	*12.7*	134.4	*13.0*	..	114.0
A	410.6	400.1	135.4	*10.4*	136.1	*13.7*	136.0	*14.1*	..	115.3
M	412.3	402.0	136.7	*10.6*	136.9	*13.6*	136.5	*13.8*	..	113.7
J	416.1	403.4	137.0	*9.8*	137.6	*11.4*	136.7	*11.5*	..	116.1
J	416.9	403.9	139.5	*10.9*	138.5	*11.0*	137.8	*11.0*	..	116.1
A	417.2	404.4	138.6	*7.5*	139.3	*9.4*	138.4	*9.1*	..	116.0
S	417.8	405.3	138.9	*7.3*	140.2	*9.6*	139.3	*9.3*	..	115.3
O	418.2	405.4	139.8	*7.4*	141.1	*8.6*	140.9	*8.9*	..	117.9
N	424.8	415.8	141.7	*8.3*	142.8	*9.8*	141.6	*9.0*	..	118.9
D	425.0	415.8	142.0	*7.8*	143.8	*10.2*	142.7	*9.6*	..	117.8
1983 *J*	428.6	418.8	144.5	*8.8*	144.6	*9.0*	144.0	*9.1*	..	115.3
F	429.2	419.1	147.2	*9.6*	145.2	*7.8*	144.8	*9.0*	..	116.7
M	430.2	419.4	146.3	*8.6*	145.3	*7.9*	145.0	*7.9*	..	117.1
A	434.2	420.7	147.0	*8.6*	148.5	*9.1*	148.1	*8.9*	..	119.2
M	435.4	422.3	148.6	*8.7*	148.4	*8.4*	148.2	*8.6*	..	118.4
J	438.9	423.6	148.2	*8.2*	148.2	*7.7*	147.8	*8.1*	..	118.4
J	439.6	424.5	150.3	*7.7*	150.0	*8.3*	149.7	*8.6*	..	116.5
A	439.9	424.7	150.2	*8.4*	151.3	*8.6*	150.8	*9.0*	..	117.8
S	440.5	424.9	150.7	*8.5*	153.0	*9.1*	152.4	*9.4*	..	118.4
O	441.3	425.0	152.0	*8.7*	155.4	*10.1*	154.4	*9.6*	..	119.3
N	447.7	436.5	152.1	*7.3*	154.7	*8.3*	155.6	*9.9*	..	119.6
D	447.7	436.5	153.4	*8.0*	155.8	*8.3*	156.6	*9.7*	..	118.4
1984 *J*			154.7	*7.1*	156.0	*7.9*	157.0	*9.0*	..	121.0
F			155.6	*5.7*	157.8	*8.7*	158.7	*9.6*	..	122.4
M			154.4	*5.5*	153.7	*5.8*	159.2	*9.8*	..	121.8
A			155.8	*6.0*	154.5	*4.0*	159.5	*7.7*	..	121.5
M			156.0	*5.0*	154.7	*4.2*	159.5	*7.6*	..	122.3
J			156.0	*5.3*	156.1	*5.3*	161.1	*9.0*	..	122.3
J			158.2	*5.3*	157.6	*5.1*	162.9	*8.8*		124.0
A			159.0	*5.9*	158.7	*4.9*	163.7	*8.6*	..	122.9
S			160.2	*6.3*	161.4	*5.5*	166.1	*9.0*	..	124.5
O			164.5[6]	*8.2*[6]	163.4[6]	*5.1*[6]	168.1[6]	*8.9*[6]	..	127.0

[1] The seasonal adjustment factors currently used are based on data up to December 1982.
[2] Before July 1972 the series was based on 31 January 1956 = 100. Figures before July 1972 have therefore been linked.
[3] Calculation of indices of basic weekly wage rates ceased after December 1983.
[4] Revised definition.
[5] This index, based on the monthly indices of average earnings, employment and output adjusted for movements in stocks, now relates to individual months, whereas in the past it has related to a centred 3 month average and has not been stock adjusted.
[6] Provisional.

Earnings, wages, retail prices and output

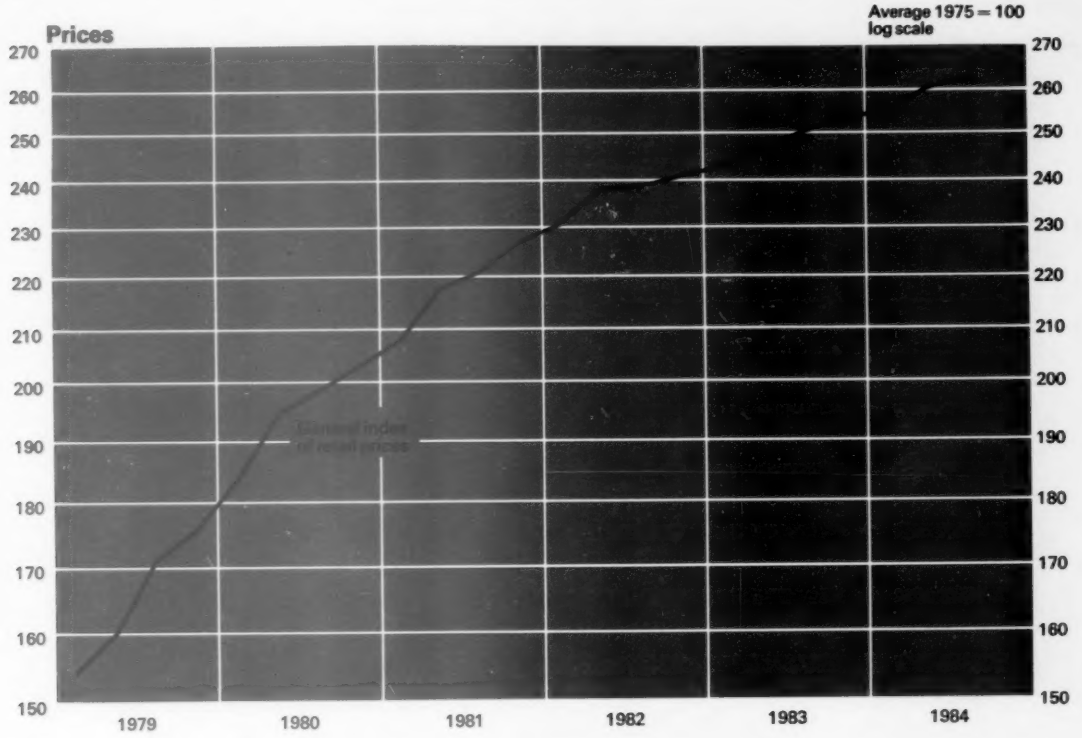


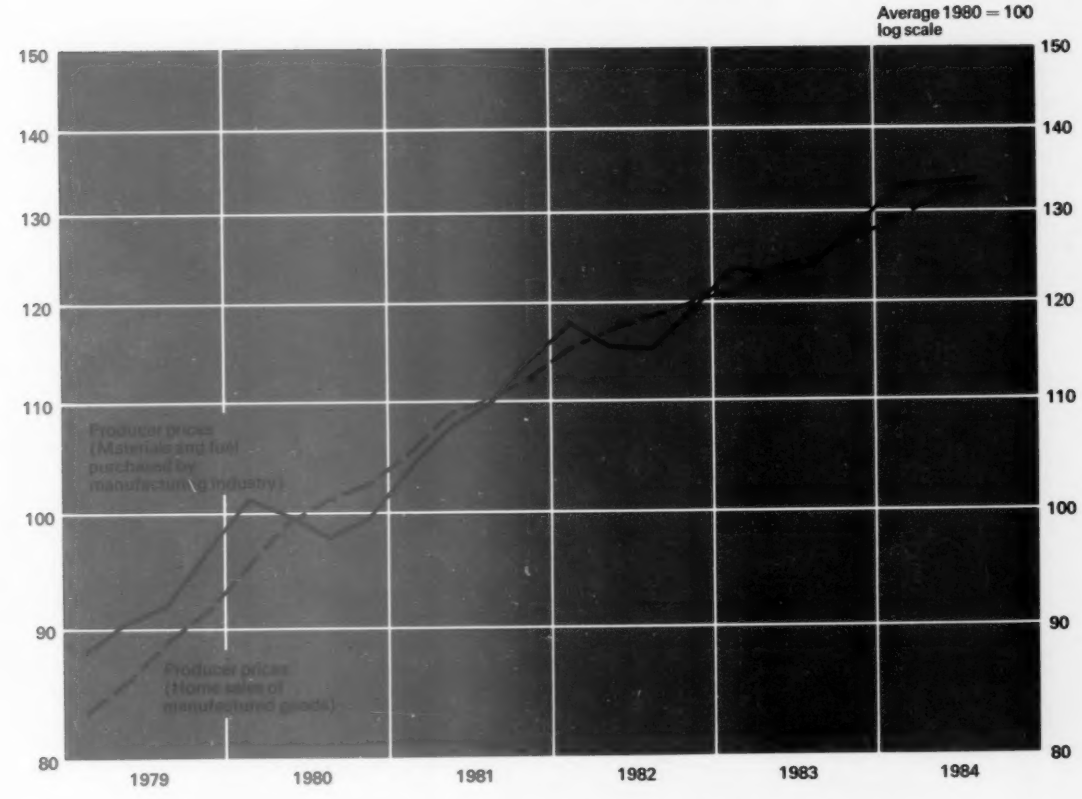
[1] Quarterly average of monthly figures

Prices

	Unadjusted										
	Average 1980 = 100		Average 1975 = 100								Average 1980 = 100p
	Producer price index		General index of retail prices						Pensioner price index[1]		
		Output	All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry	All manufactured products — Home sales	Index	*Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[2]
1973	..	..	69.4	*9.2*	67.5	70.1	69.4	*8.3*	68.4	68.7	282
1974	49.1	42.6	80.5	*16.1*	79.6	80.8	80.5	*16.0*	79.5	79.8	243
1975	54.9	52.4	100.0	*24.2*	100.0	100.0	100.0	*24.2*	100.0	100.0	196
1976	68.4	60.9	116.5	*16.5*	120.0	115.6	115.8	*15.8*	119.1	118.8	168
1977	78.9	72.0	135.0	*15.8*	142.8	132.8	134.3	*16.0*	139.1	138.7	145
1978	81.6	79.1	146.2	*8.3*	152.9	144.3	146.4	*9.0*	150.4	149.8	134
1979	92.2	87.7	165.8	*13.4*	171.3	164.3	165.9	*13.3*	168.0	167.6	118
1980	100.0	100.0	195.6	*18.0*	191.9	196.5	196.4	*18.4*	195.7	194.6	100
1981	109.2	109.5	218.9	*11.9*	208.2	221.6	219.8	*11.9*	218.0	217.2	89
1982	117.2	118.0	237.7	*8.6*	224.5	241.3	238.3	*8.5*	238.3	236.8	82
1983	125.3	124.4	248.6	*4.6*	231.7	253.1	249.5	*4.7*	249.0	247.6	79
1980 *3*	98.4	101.5	199.4	*16.4*	194.5	200.7	200.4	*16.5*	199.2	197.9	98
4	99.9	102.9	203.2	*15.3*	195.5	205.1	204.3	*15.6*	203.7	201.9	96
1981 *1*	104.2	105.7	208.0	*12.7*	201.6	209.5	209.0	*13.1*	209.8	208.2	94
2	107.7	109.1	218.1	*11.7*	207.8	220.8	218.9	*11.8*	216.4	215.7	90
3	110.1	110.5	221.9	*11.2*	209.2	225.2	223.0	*11.3*	220.1	219.6	80
4	114.8	112.8	227.4	*11.9*	214.2	230.8	228.2	*11.7*	225.6	225.1	86
1982 *1*	118.0	115.7	231.1	*11.1*	223.3	233.1	231.2	*10.7*	232.7	231.6	85
2	115.9	117.5	238.5	*9.4*	228.1	241.3	238.2	*8.9*	238.8	237.3	82
3	115.4	118.7	239.5	*8.0*	222.8	244.0	240.9	*8.0*	239.3	237.6	82
4	119.4	120.1	241.4	*6.2*	223.9	246.2	243.1	*6.5*	242.5	240.8	81
1983 *1*	124.5	121.7	242.6	*4.9*	226.6	247.0	243.9	*5.5*	245.3	243.3	81
2	123.6	124.2	247.6	*3.8*	229.8	252.4	248.6	*4.4*	247.6	246.3	79
3	124.7	125.1	250.7	*4.6*	232.8	255.6	251.6	*4.4*	249.6	248.4	78
4	128.4	126.8	253.6	*5.0*	237.4	258.0	253.9	*4.4*	253.6	252.4	77
1984 *1*	133.5	129.0	255.1	*5.2*	241.3	258.7	255.2	*4.6*	256.8	255.4	77
2	134.1	132.0	260.3	*5.1*	246.9	263.8	260.0	*4.6*	261.9	261.1	75
3	133.8	132.8[3]	262.6	*4.7*	245.1	267.2	263.3	*4.6*	262.1	261.0	74
1982 *O*	116.5	119.7	240.7	*6.8*	222.4	245.5	242.5	*7.2*	..	..	81
N	119.0	120.0	241.9	*6.3*	224.2	246.6	243.7	*6.6*	..	..	81
D	122.8	120.6	241.5	*5.4*	225.1	245.8	243.1	*5.8*	..	..	81
1983 *J*	124.1	121.2	241.8	*4.9*	226.4	245.8	243.2	*5.5*	..	..	81
F	125.4	121.7	242.8	*5.3*	226.6	247.0	244.1	*5.8*	..	..	81
M	124.2	122.4	243.2	*4.6*	226.9	247.6	244.6	*5.2*	..	..	80
A	123.1	123.6	246.7	*4.0*	228.5	251.5	247.8	*4.6*	..	..	79
M	123.8	124.3	247.7	*3.7*	229.3	252.5	248.9	*4.4*	..	..	79
J	124.0	124.6	248.3	*3.7*	231.7	252.7	249.2	*4.1*	..	..	79
J	123.2	124.7	249.6	*4.2*	231.6	254.5	250.7	*4.3*	..	..	78
A	124.6	124.9	250.7	*4.6*	232.1	255.7	251.8	*4.4*	..	..	78
S	126.5	125.7	251.9	*5.1*	234.8	256.4	252.4	*4.6*	..	..	78
O	126.2	126.2	252.7	*5.0*	235.9	257.1	253.2	*4.4*	..	..	77
N	127.4	126.8	253.6	*4.8*	237.1	257.9	254.0	*4.2*	..	..	77
D	131.6	127.3	254.3	*5.3*	238.9	258.2	254.4	*4.7*	..	..	77
1984 *J*	133.5	128.0	254.2	*5.1*	239.9	257.9	254.3	*4.6*	..	..	77
F	134.2	128.8	255.2	*5.1*	241.1	258.9	255.2	*4.5*	..	..	77
M	132.9	130.3	256.0	*5.2*	242.9	259.4	256.0	*4.7*	..	..	76
A	133.8	131.7	259.4	*5.2*	245.5	263.0	259.1	*4.6*	..	..	75
M	134.3	132.1	260.4	*5.1*	247.1	263.9	260.0	*4.5*	..	..	75
J	134.1	132.2	261.1	*5.1*	248.0	264.4	260.9	*4.7*	..	..	75
J	133.8†	132.5	260.8	*4.5*	246.4	264.6	261.1	*4.1*	..	..	75
A	132.8	132.6	263.2	*5.0*	245.2	267.9	263.9	*4.8*	..	..	74
S	134.9	133.3[3]	263.7	*4.7*	243.7	269.0	264.9	*5.0*	..	..	74
O	137.5[3]	134.0[3]	265.4	*5.0*	244.7	270.8	266.5	*5.2*	..	..	74
N	138.7	134.4	266.2	*4.9*	245.0	271.7	267.4	*5.3*			73

[1] All items except housing.
[2] Movements in the purchasing power of the pound are based on movements in the general index of retail prices.
[3] Provisional.

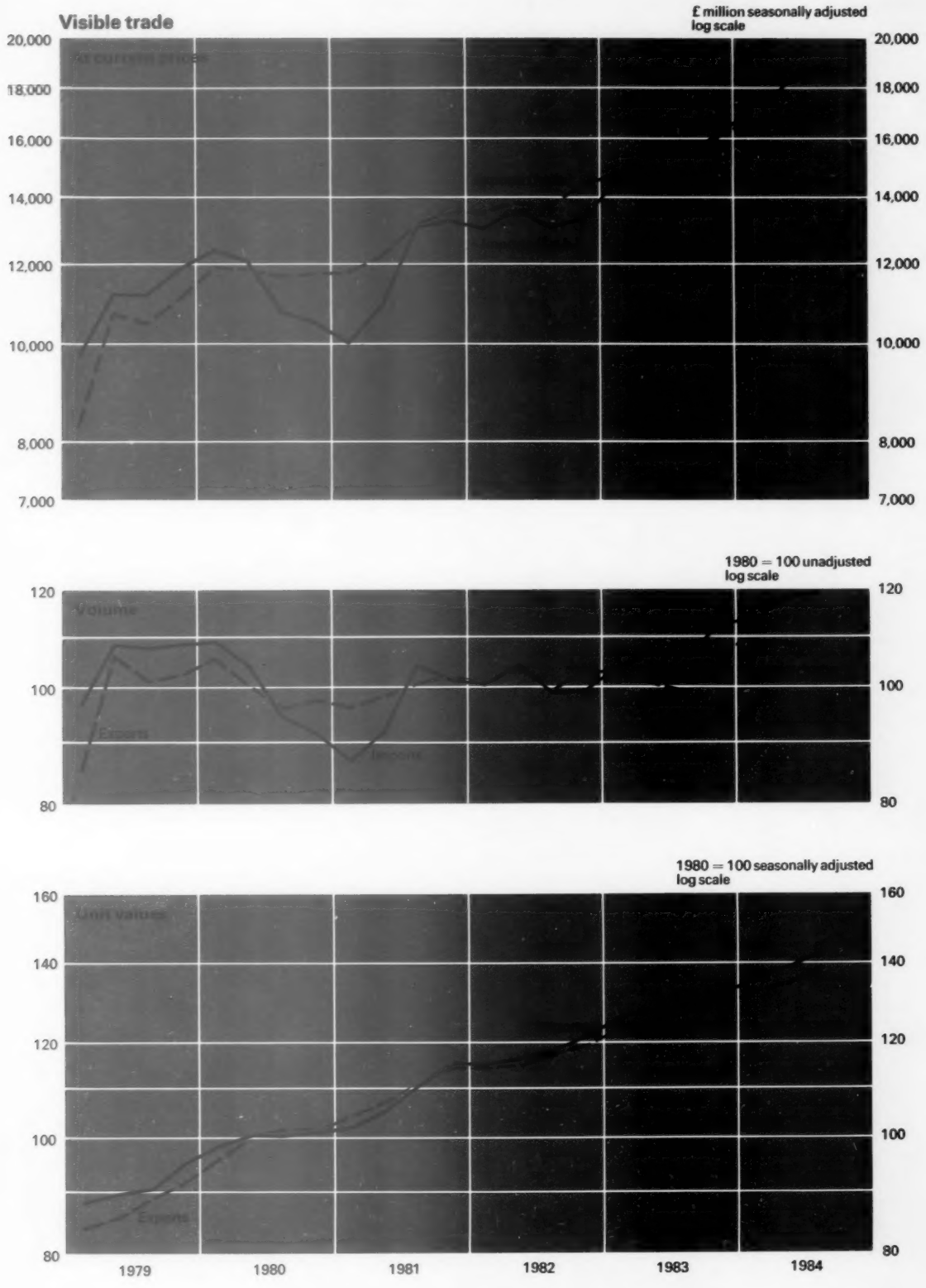

Prices
Average 1975 = 100
log scale
270
260
250
240
230
220
210
200
190
180
170
160
150
General index of retail prices
1979
1980
1981
1982
1983
1984


Average 1980 = 100
log scale
150
140
130
120
110
100
90
80
Producer prices (Materials and fuel purchased by manufacturing industry)
Producer prices (Home sales of manufactured goods)
1979
1980
1981
1982
1983
1984

Visible trade

	Seasonally adjusted		Unadjusted		
	1980 = 100		1980 = 100		
	Volume indices[1]		Unit value indices[1]		
	Exports	Imports	Exports	Imports	Terms of trade[2]
1973	75.6	91.9	32.6	34.8	93.5
1974	81.0	92.7	41.5	50.9	81.5
1975	77.8	84.7	50.9	58.0	87.6
1976	85.4	89.7	60.8	70.9	85.7
1977	92.1	91.3	72.0	82.1	87.7
1978	94.5	95.5	79.1	85.2	92.7
1979	99.1	105.7	87.6	90.9	96.4
1980	100.0	100.0	100.0	100.0	100.0
1981	99.2	96.1	108.8	108.3	100.5
1982	101.5	100.7	116.7	118.2	98.7
1983	102.3	107.7	126.6	129.4	97.8
1981 *3*	100.7	104.3	110.7	110.5	100.2
4	102.0	101.2	113.6	115.5	98.3
1982 *1*	100.7	100.4	114.7	115.5	99.4
2	103.2	104.1	114.8	117.0	98.1
3	98.9	98.7	117.7	118.6	99.2
4	103.1	99.5	119.6	121.7	98.3
1983 *1*	102.3	104.5	123.6	127.1	97.2
2	100.3	106.6	125.6	128.9	97.4
3	99.2	106.6	127.9	129.7	98.6
4	107.3	112.9	129.2	132.2	97.7
1984 *1*	109.5	113.3	132.6	136.2	97.3
2	108.3	118.3	134.9	139.3	96.9
3	107.4	119.5	138.5	143.0	96.8
1981 *O*	103.8	98.0	113.0	115.7	97.7
N	100.9	105.8	113.8	115.5	98.5
D	101.3	99.7	113.9	115.4	98.7
1982 *J*	98.5	99.3	114.5	114.7	99.8
F	100.3	96.8	115.2	115.9	99.4
M	103.5	105.2	114.5	115.8	98.9
A	105.2	104.7	114.3	116.5	98.1
M	103.3	105.6	114.4	117.1	97.7
J	101.1	101.8	115.5	117.4	98.4
J	99.3	98.9	116.6	117.8	99.0
A	95.3	96.6	117.8	118.6	99.3
S	102.2	100.8	118.6	119.5	99.2
O	100.8	99.4	118.7	121.3	97.9
N	104.8	98.7	119.0	121.2	98.2
D	103.8	100.4	121.1	122.6	98.7
1983 *J*	97.6	105.8	122.6	125.0	98.1
F	102.8	104.7	123.6	127.1	97.3
M	106.6	103.2	124.6	129.2	96.4
A	98.5	105.0	125.9	130.1	96.8
M	98.6	109.4	125.2	128.9	97.1
J	103.9	105.5	125.7	127.6	98.4
J	96.8	106.2	126.8	128.9	98.4
A	98.9	106.4	128.2	130.0	98.6
S	102.0	107.2	128.7	130.1	98.9
O	103.1	117.9	128.4	131.5	97.6
N	104.3	109.2	128.9	131.9	97.7
D	114.6	111.6	130.2	133.1	97.8
1984 *J*	101.8	111.8	132.5	135.3	97.9
F	115.4	110.3	132.8	136.6	97.2
M	111.3	118.0	132.5	136.8	96.8
A	104.4	122.3	133.9	138.9	96.4
M	108.5	115.1	134.9	139.6	96.6
J	112.0	117.5	136.1	139.3	97.6
J	102.7	108.9	137.5	141.7	97.0
A	111.6	123.9	138.3	142.9	96.7
S	107.9	125.8	139.7	144.3	96.8
O	116.6	133.8	140.4	145.4	96.5

[1] On a balance of payments basis.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.


Visible trade
£ million seasonally adjusted
log scale
At current prices
20,000
18,000
16,000
14,000
12,000
10,000
8,000
7,000
1980 = 100 unadjusted
log scale
Volume
Exports
Imports
120
100
80
1980 = 100 seasonally adjusted
log scale
Unit values
Exports
160
140
120
100
80
1979
1980
1981
1982
1983
1984

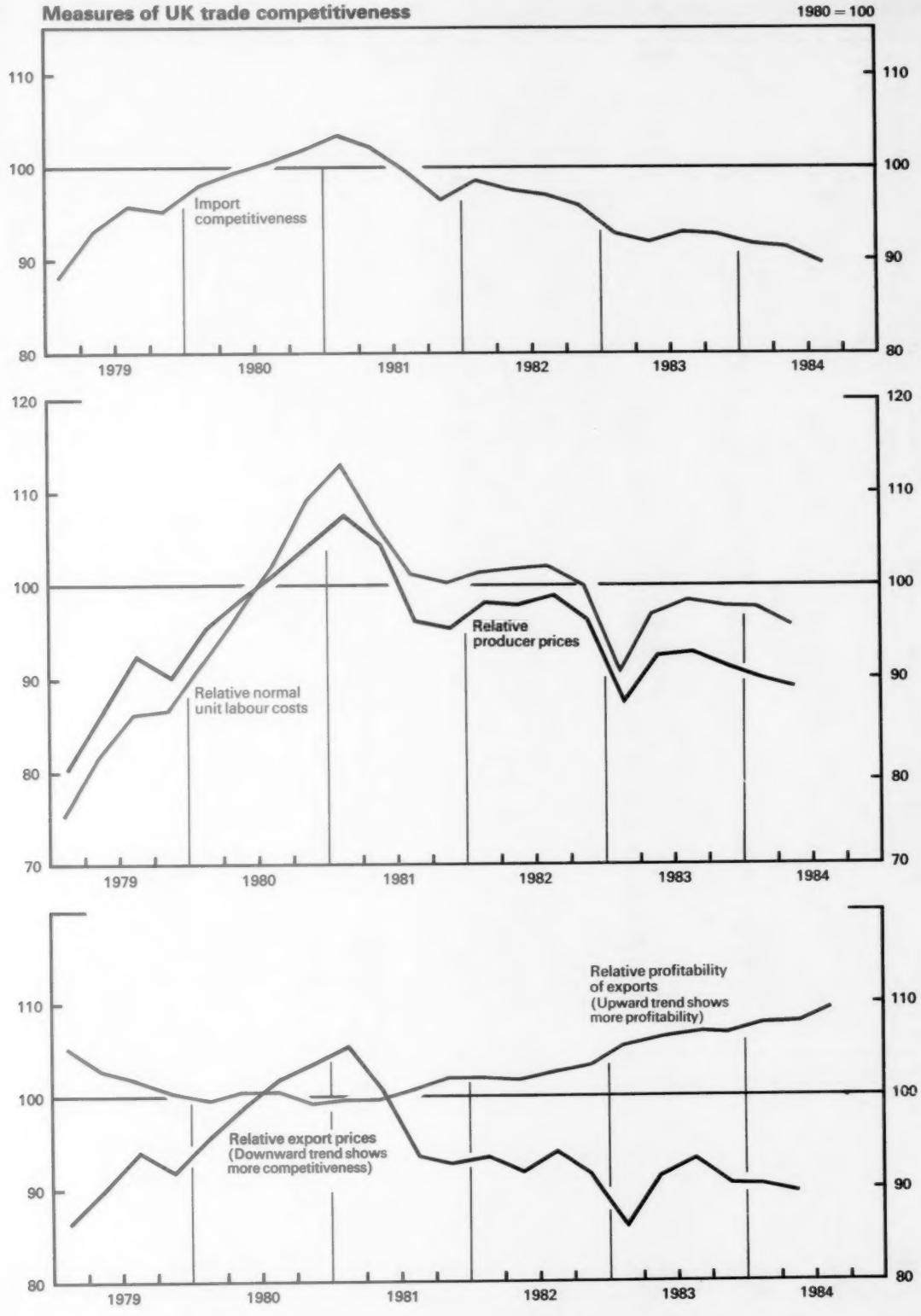
Measures of UK competitiveness in trade in manufactures

1980 = 100

	Summary measures[1]						Export unit value index[2]				
	Relative export prices[3]	Relative producer prices[3]	IMF index of relative unit labour costs[2] Actual	IMF index of relative unit labour costs[2] Normalised	Import price competitiveness[4]	Relative profitability of exports[4]	United Kingdom	United States	Japan	France	Federal Republic of Germany
1978	84.5	78.6	68.3	71.1	86.1	106.5	68.4	79	89	78	84
1979	90.4	87.3	80.9	82.5	93.1	102.5	82.6	91	94	90	94
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100	100	100
1981	98.1	100.8	101.2	105.2	100.4	100.5	93.1	112	106	87	85
1982	92.7	97.7	95.0	101.3	97.2	102.4	86.4	118	101	83	85
1983	90.1	91.0	86.7	95.8	92.5	106.1	81.7	120	97	79	82
1982 2	91.9	97.8	95.9	101.7	97.5	101.7	86.9	119	102	86	86
3	94.0	98.8	94.7	101.9	96.9	102.6	85.9	118	98	79	83
4	91.5	96.1	93.0	99.8	95.9	103.2	83.2	119	95	80	83
1983 1	85.7	87.4	82.2	90.7	92.7	105.2	80.2	121	98	83	86
2	91.0	92.4	88.1	96.8	91.8	106.0	83.3	120	97	79	84
3	93.1	92.8	88.1	98.1	92.9	106.6	82.5	120	95	77	78
4	90.5	91.3	88.1	97.5	92.7	106.5	80.9	120	99	77	78
1984 1	90.4	90.1	88.6	97.3	91.5	107.6	81.0	121	100	78	77
2	89.7	89.1	87.1	95.3	91.1	107.8	80.4	121			
3					89.5	109.4	76.7				
	Percentage change, quarter on corresponding quarter of previous year.										
1982 2	*– 8.9*	*– 6.4*	*– 7.8*	*– 5.3*	*–4.6*	*+2.0*	*– 7.8*	*+ 8*	*– 3*	*+ 1*	*+ 4*
3	*+ 0.7*	*+ 2.9*	*– 1.8*	*+ 1.4*	*–2.5*	*+1.9*	*+ 0.4*	*+ 4*	*– 4*	*– 6*	*+ 5*
4	*– 1.3*	*+ 0.8*	*– 1.3*	*+ 0.3*	*–0.4*	*+1.2*	*– 7.3*	*+ 2*	*–11*	*– 7*	*– 5*
1983 1	*– 8.3*	*–10.9*	*–14.8*	*–10.9*	*–5.9*	*+3.1*	*–10.4*	*+ 1*	*– 7*	*– 4*	*+ 1*
2	*– 0.9*	*– 5.5*	*– 8.1*	*– 4.8*	*–5.8*	*+4.2*	*– 4.1*	*+ 1*	*– 5*	*– 8*	*– 2*
3	*– 0.9*	*– 6.1*	*– 7.0*	*– 3.7*	*–4.2*	*+3.9*	*– 4.0*	*+ 2*	*– 3*	*– 3*	*– 6*
4	*– 1.1*	*– 5.0*	*– 5.3*	*– 2.3*	*–3.3*	*+3.2*	*– 2.8*	*+ 1*	*+ 4*	*– 4*	*– 6*
1984 1	*+ 5.5*	*+ 3.1*	*+ 7.8*	*+ 7.3*	*–1.3*	*+2.3*	*+ 1.1*	*–*	*+ 2*	*– 6*	*–10*
2	*– 1.4*	*– 3.5*	*– 1.1*	*– 1.5*	*–0.8*	*+1.7*	*– 3.5*	*+ 1*			
3					*–3.7*	*+2.6*	*– 7.0*				

	Producer price index[2]					Unit labour costs index[2]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[5]	United States	Japan	France	Federal Republic of Germany
1978	63.3	78.1	89.1	72.5	80.4	59	84	110	77	83
1979	78.6	87.5	90.9	85.5	92.2	75	90	103	88	92
1980	100.0	100.0	100.0	100.0	100.0	100	100	100	100	100
1981	95.2	109.3	103.4	87.9	86.8	96	106	107	88	85
1982	88.7	112.0	92.7	81.1	85.5	87	115	102	81	82
1983	81.1	113.1	95.5	76.1	82.5	77	112	107	74	77
1982 3	88.0	112.4	89.2	77.2	84.0	86	115	98	78	81
4	85.1	112.5	89.0	77.5	83.7	84	116	100	77	81
1983 1	80.2	112.3	96.7	81.2	86.7	77	115	111	81	82
2	83.0	112.5	95.4	76.8	84.3	79	112	108	75	79
3	81.2	113.6	93.4	73.7	79.9	76	110	105	71	74
4	80.1	114.3	96.5	73.0	79.3	75	111	106	70	73
1984 1	79.5	115.3	97.9	73.1	79.3	75	111	107	69	73
2	79.2	116.1	98.7	74.2	79.7	73	111		69	72
3						70				
	Percentage change, quarter on corresponding quarter of previous year.									
1982 2	*– 8.0*	*+ 1.9*	*– 8.8*	*– 2.5*	*+ 1.9*	*–10*	*+10*	*– 5*	*– 3*	*– 2*
3	*+ 0.9*	*+ 1.9*	*– 9.7*	*– 7.8*	*+ 3.1*	*– 1*	*+ 8*	*– 4*	*– 6*	*+ 4*
4	*– 6.7*	*+ 1.4*	*–12.7*	*–12.1*	*– 6.7*	*– 7*	*+ 5*	*– 3*	*–14*	*– 6*
1983 1	*–12.7*	*+ 0.6*	*– 1.6*	*– 5.1*	*– 0.7*	*–15*	*+ 1*	*+ 5*	*– 7*	*– 1*
2	*– 7.6*	*+ 0.9*	*+ 1.4*	*– 8.6*	*– 3.0*	*–10*	*– 3*	*+ 5*	*–10*	*– 4*
3	*– 7.8*	*+ 1.1*	*+ 4.7*	*– 4.6*	*– 5.0*	*–11*	*– 4*	*+ 7*	*– 9*	*– 9*
4	*– 5.9*	*+ 1.6*	*+ 8.4*	*– 5.9*	*– 5.2*	*–10*	*– 4*	*+ 6*	*– 9*	*–10*
1984 1	*– 0.8*	*+ 2.7*	*+ 1.2*	*– 9.9*	*– 8.5*	*– 2*	*– 3*	*– 3*	*–15*	*–11*
2	*– 4.6*	*+ 3.2*	*+ 3.5*	*– 3.3*	*– 5.4*	*– 7*	*– 1*		*– 8*	*– 8*
3						*– 9*				

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979. Revised measures of import price competitiveness and relative profitability of exports were described in an article in *Economic Trends*, No. 319, May 1980—see footnote [3].
[2] All the indices are in terms of US dollars.
[3] Figures are now base weighted using 1990 export data. Downwards movements indicate greater competitiveness.
[4] Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
[5] See footnote [4] to page 40.

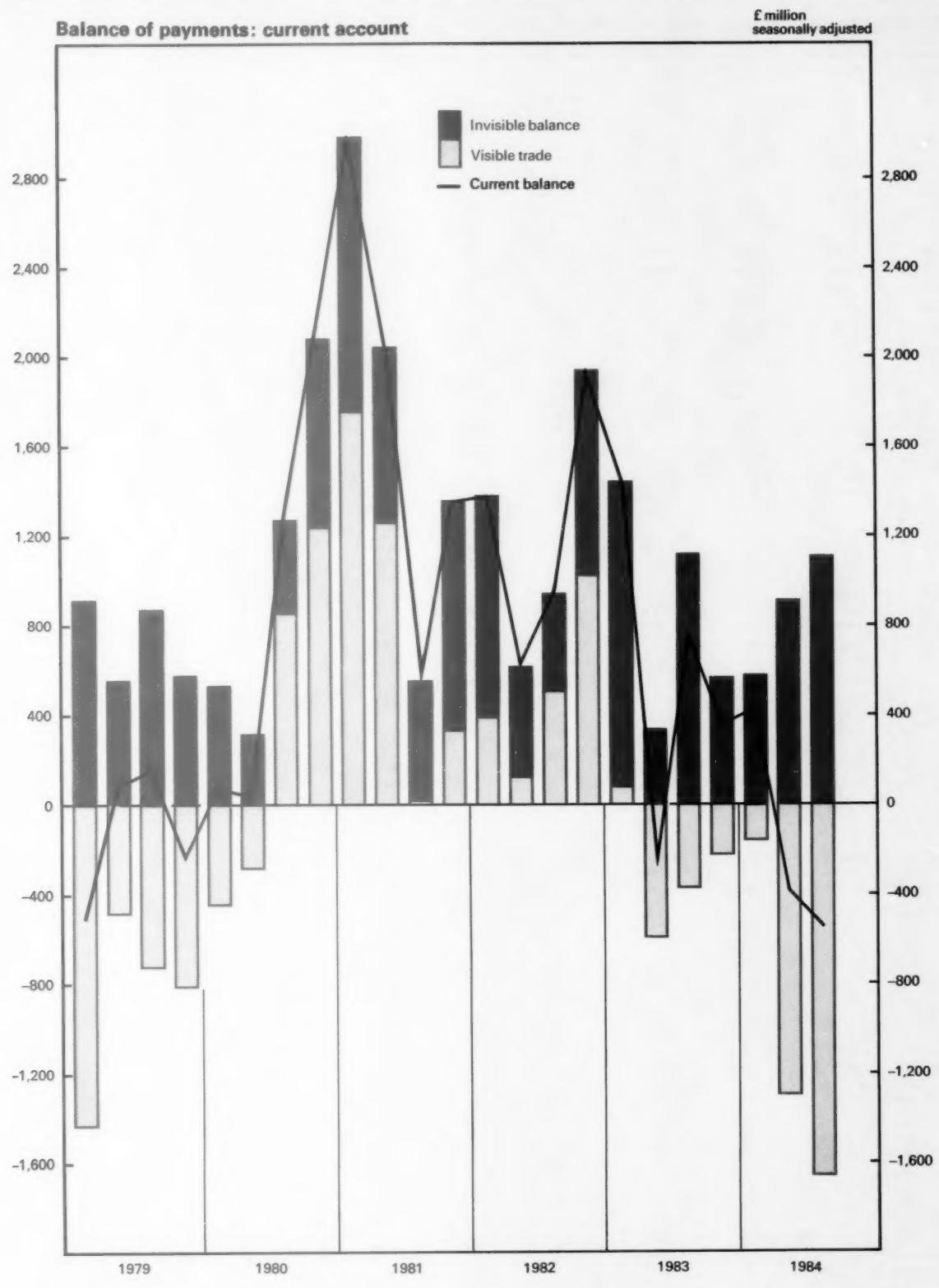

Measures of UK trade competitiveness
1980 = 100
Import competitiveness
Relative producer prices
Relative normal unit labour costs
Relative profitability of exports (Upward trend shows more profitability)
Relative export prices (Downward trend shows more competitiveness)
1979
1980
1981
1982
1983
1984

Balance of payments: current account

£ million, seasonally adjusted

	Visible trade			Invisibles					
						Balances			
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Total	Services	IPD	Transfers	Current balance
1980	47 422†	46 061	1 361	25 934	23 818	2 116	4 356	– 161	–2 079	3 477
1981	50 977	47 617	3 360	29 645	26 075	3 570	4 458	1 057	–1 945	6 930
1982	55 565	53 510	2 055	31 311	28 485	2 826	3 706	1 169	–2 049	4 881
1983	60 625	61 730	–1 105	34 787	31 388	3 399	3 932	1 680	–2 213	2 294
1980 *1*	11 998†	12 444	– 446	6 544	6 013	531	1 120	– 81	– 508	85
2	11 916	12 203	– 287	6 552	6 234	318	1 071	– 154	– 599	31
3	11 694	10 841	853	6 181	5 762	419	1 032	– 23	– 590	1 272
4	11 814	10 573	1 241	6 657	5 809	848	1 133	97	– 382	2 089
1981 *1*	11 868	10 117	1 751	7 281	6 054	1 227	1 174	205	– 152	2 978
2	12 289	11 025	1 264	6 905	6 121	784	1 101	351	– 668	2 048
3	13 157	13 145	12	7 357	6 819	538	1 058	242	– 762	550
4	13 663	13 330	333	8 102	7 081	1 021	1 125	259	– 363	1 354
1982 *1*	13 519	13 129	390	7 956	6 963	993	1 036	– 93	50	1 383
2	13 878	13 753	125	7 624	7 131	493	974	344	– 825	618
3	13 688	13 179	509	7 561	7 129	432	789	351	– 708	941
4	14 480	13 449	1 031	8 170	7 262	908	907	567	– 566	1 939
1983 *1*	14 823	14 745	78	8 805	7 439	1 366	1 028	464	– 126	1 444
2	14 752	15 345	– 593	8 338	7 996	342	1 076	73	– 807	– 251
3	14 856	15 225	– 369	8 790	7 670	1 120	994	646	– 520	751
4	16 194	16 415	– 221	8 854	8 283	571	834	497	– 760	350
1984 *1*	16 856	17 010	– 154	9 172	8 594	578	1 031	91	– 544	424
2	16 902	18 199	–1 297	9 399	8 481	918	1 070	641	– 793	– 379
3	17 252	18 904	–1 652	9 551	8 441	1 110	1 319	528	– 737	– 542
1982 *N*	4 863	4 417	445	..	..	286[1]	..	..	..	711
D	4 934	4 555	379	..	..	381[1]	..	..	..	760
1983 *J*	4 731	4 939	– 208	..	..	266[1]	..	..	..	58
F	4 938	4 888	50	..	..	266[1]	..	..	..	316
M	5 154	4 918	237	..	..	834[1]	..	..	..	1 071
A	4 866	5 092	– 226	..	..	114[1]	..	..	..	– 112
M	4 811	5 293	– 482	..	..	114[1]	..	..	..	– 368
J	5 075	4 961	115	..	..	114[1]	..	..	..	229
J	4 784	5 047	– 263	..	..	387[1]	..	..	..	124
A	4 932	5 049	– 117	..	..	367[1]	..	..	..	250
S	5 140	5 130	10	..	..	366[1]	..	..	..	376
O	5 156	5 645	– 489	..	..	118[1]	..	..	..	– 371
N	5 235	5 306	– 70	..	..	117[1]	..	..	..	47
D	5 803	5 464	338	..	..	336[1]	..	..	..	674
1984 *J*	5 215	5 569	– 355	..	..	193[1]	..	..	..	– 162
F	5 949	5 487	462	..	..	192[1]	..	..	..	654
M	5 692	5 953	– 262	..	..	193[1]	..	..	..	– 69
A	5 370	6 216	– 846	..	..	306[1]	..	..	..	– 540
M	5 637	5 951	– 314	..	..	306[1]	..	..	..	– 8
J	5 895	6 032	– 137	..	..	306[1]	..	..	..	169
J	5 471	5 668	– 196	..	..	370[1]	..	..	..	173
A	5 937	6 564	– 627	..	..	370[1]	..	..	..	– 257
S	5 844	6 672	– 828	..	..	370[1]	..	..	..	– 458
O	6 291	7 142	– 851	..	..	778[2]	..	..	..	– 73

[1] One third of the appropriate calendar quarter's estimate except for European Community budget refunds which are allocated to the month in which they are received.
[2] One third of a quarterly projection plus any European Community budget refund received in the month.

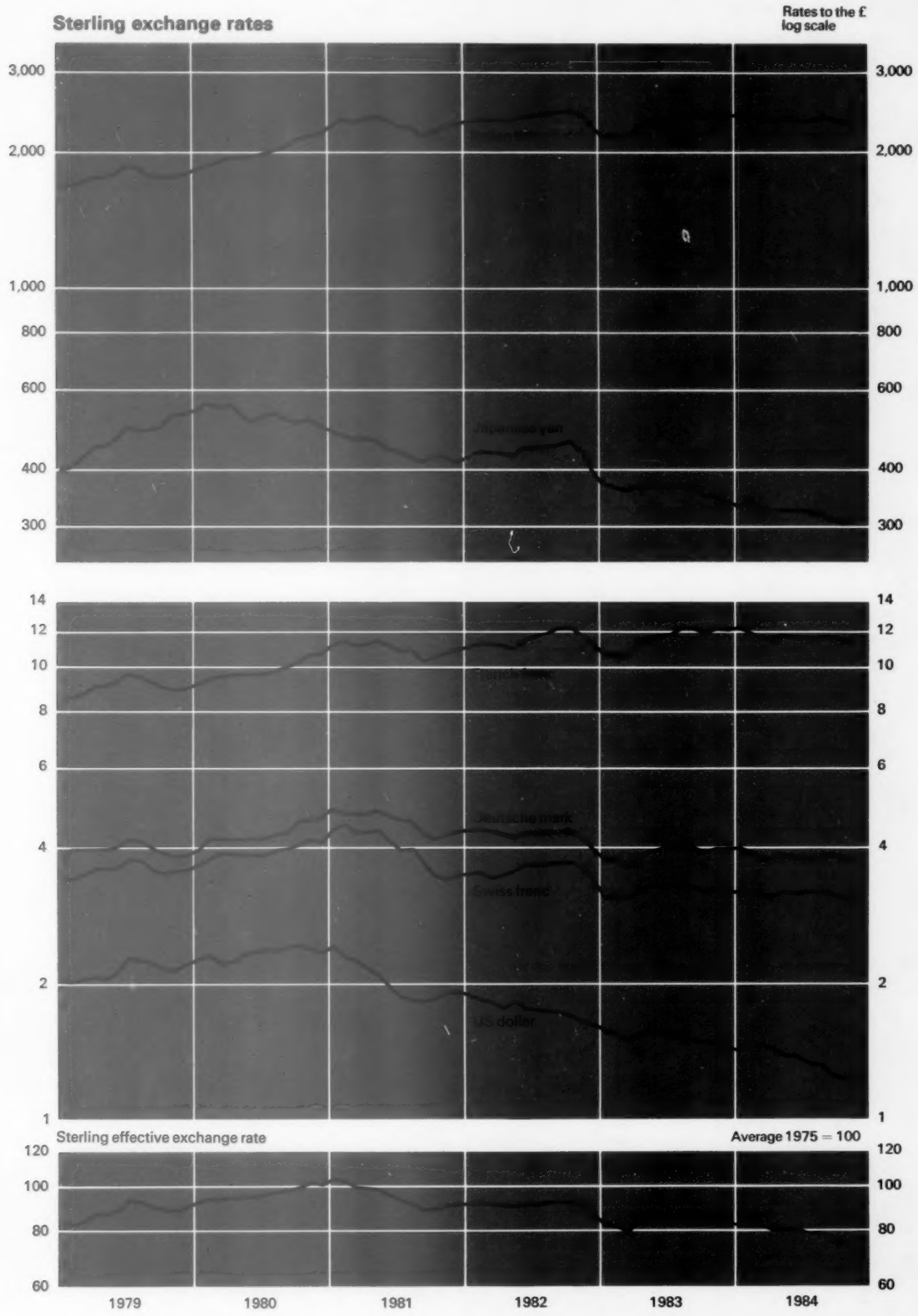

Balance of payments: current account
£ million
seasonally adjusted
Invisible balance
Visible trade
Current balance
2,800
2,400
2,000
1,600
1,200
800
400
0
–400
–800
–1,200
–1,600
1979
1980
1981
1982
1983
1984

Sterling exchange rates and UK official reserves

		Sterling exchange rate against major currencies[1]						$ million	Average 1975 = 100
		Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark	UK official reserves[2] (at end of period)	Sterling index exchange rate
1974		682.7	2.340	6.965	11.25	1 522	6.049	6 789	108.3
1975		658.1	2.220	5.723	9.50	1 447	5.447	5 429	100.0
1976		535.4	1.805	4.521	8.61	1 497	4.562	4 129	85.7
1977		467.7	1.746	4.189	8.57	1 540	4.050	20 557	81.2
1978		402.7	1.920	3.423	8.64	1 628	3.850	15 694	81.5
1979		465.6	2.122	3.525	9.03	1 762	3.887	22 538	87.3
1980		525.6	2.328	3.894	9.82	1 992	4.227	27 476	96.1
1981		444.6	2.025	3.969	10.94	2 287	4.556	23 347	95.3
1982		435.2	1.749	3.547	11.48	2 364	4.243	16 997	90.7
1983		359.9	1.516	3.182	11.55	2 302	3.870	17 817	83.3
1981	*3*	425.7	1.839	3.852	10.66	2 234	4.469	23 696	90.6
	4	422.6	1.883	3.441	10.64	2 253	4.226	23 347	89.7
1982	*1*	431.7	1.845	3.459	11.07	2 331	4.331	18 969	91.2
	2	434.3	1.779	3.548	11.18	2 350	4.232	17 703	90.3
	3	446.4	1.725	3.644	11.98	2 404	4.280	18 299	91.5
	4	428.2	1.650	3.532	11.68	2 369	4.129	16 997	89.1
1983	*1*	360.5	1.530	3.085	10.54	2 143	3.684	17 337	80.5
	2	369.2	1.555	3.227	11.62	2 298	3.867	17 714	84.3
	3	363.8	1.509	3.242	12.02	2 376	3.990	17 902	84.9
	4	344.3	1.471	3.174	12.00	2 387	3.936	17 817	83.2
1984	*1*	331.1	1.435	3.156	11.90	2 384	3.874	16 749	81.7
	2	320.7	1.396	3.136	11.62	2 339	3.784	15 505	79.8
	3	316.2	1.299	3.167	11.62	2 333	3.786	15 260	78.0
1981	*O*	426.4	1.843	3.467	10.36	2 196	4.145	23 316	88.2
	N	424.8	1.904	3.398	10.69	2 267	4.237	23 463	90.1
	D	416.5	1.905	3.458	10.89	2 300	4.301	23 347	90.7
1982	*J*	423.8	1.887	3.477	10.99	2 317	4.326	23 225	91.2
	F	435.1	1.847	3.497	11.12	2 338	4.372	23 373	91.5
	M	435.6	1.807	3.411	11.10	2 337	4.299	18 969	90.8
	A	431.9	1.772	3.472	11.05	2 339	4.242	18 159	90.0
	M	428.8	1.812	3.528	10.89	2 321	4.183	17 820	89.9
	J	441.2	1.758	3.635	11.54	2 385	4.265	17 703	90.9
	J	442.1	1.735	3.635	11.89	2 397	4.277	17 943	91.2
	A	446.6	1.727	3.635	11.94	2 400	4.276	18 113	91.5
	S	450.4	1.714	3.662	12.11	2 415	4.288	18 299	91.7
	O	460.1	1.698	3.683	12.13	2 442	4.293	18 493	92.5
	N	432.0	1.633	3.586	11.79	2 400	4.173	18 006	89.5
	D	392.4	1.619	3.324	11.11	2 265	3.919	16 997	85.4
1983	*J*	366.0	1.573	3.093	10.68	2 162	3.759	16 854	81.9
	F	361.5	1.533	3.089	10.54	2 142	3.717	16 578	80.7
	M	354.9	1.491	3.075	10.44	2 128	3.589	17 337	79.1
	A	366.2	1.541	3.168	11.28	2 238	3.761	17 656	82.8
	M	369.2	1.573	3.236	11.67	2 308	3.879	17 924	84.9
	J	371.8	1.549	3.271	11.87	2 340	3.948	17 714	85.2
	J	367.3	1.528	3.235	11.89	2 340	3.954	17 940	84.8
	A	367.0	1.502	3.250	12.08	2 386	4.015	18 009	85.1
	S	363.3	1.498	3.242	12.08	2 400	3.998	17 902	84.8
	O	348.6	1.497	3.160	11.90	2 368	3.896	18 102	83.4
	N	347.2	1.478	3.205	12.06	2 401	3.965	18 099	83.7
	D	336.4	1.435	3.153	12.02	2 391	3.944	17 817	82.5
1984	*J*	329.2	1.408	3.167	12.10	2 401	3.957	17 773	81.9
	F	336.4	1.440	3.177	11.97	2 402	3.889	17 983	82.2
	M	327.8	1.457	3.127	11.65	2 350	3.781	16 749	81.0
	A	320.3	1.424	3.114	11.56	2 326	3.760	15 941	79.9
	M	320.3	1.389	3.149	11.71	2 357	3.819	15 835	80.0
	J	321.4	1.377	3.142	11.59	2 333	3.772	15 505	79.4
	J	320.8	1.321	3.181	11.54	2 311	3.761	15 374	78.4
	A	318.3	1.314	3.176	11.64	2 338	3.791	15 347	78.4
	S	308.7	1.259	3.142	11.69	2 351	3.808	15 260	77.3
	O	301.0	1.220	3.079	11.48	2 316	3.743	15 353	75.6
	N	302.2	1.242	3.061	11.40	2 309	3.714	15 496	75.7

[1] Average of daily Telegraphic Transfer rates in London.

[2] Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. From end-March 1979 these rates are revised annually. These valuation changes are described in detail in the footnotes of Table 19 of the quarterly balance of payments articles in the March, June, September and December issues of *Economic Trends*. At end-March 1984 the valuation change reduced the level of reserves by $979 million. The effect of changes in earlier years are given in earlier editions of this table.


Sterling exchange rates
Rates to the £ log scale
3,000
2,000
1,000
800
600
400
300
Japanese yen
14
12
10
8
6
4
2
1
Deutsche mark
Swiss franc
US dollar
Sterling effective exchange rate
Average 1975 = 100
120
100
80
60
1979
1980
1981
1982
1983
1984

Monetary aggregates[1]

£ million

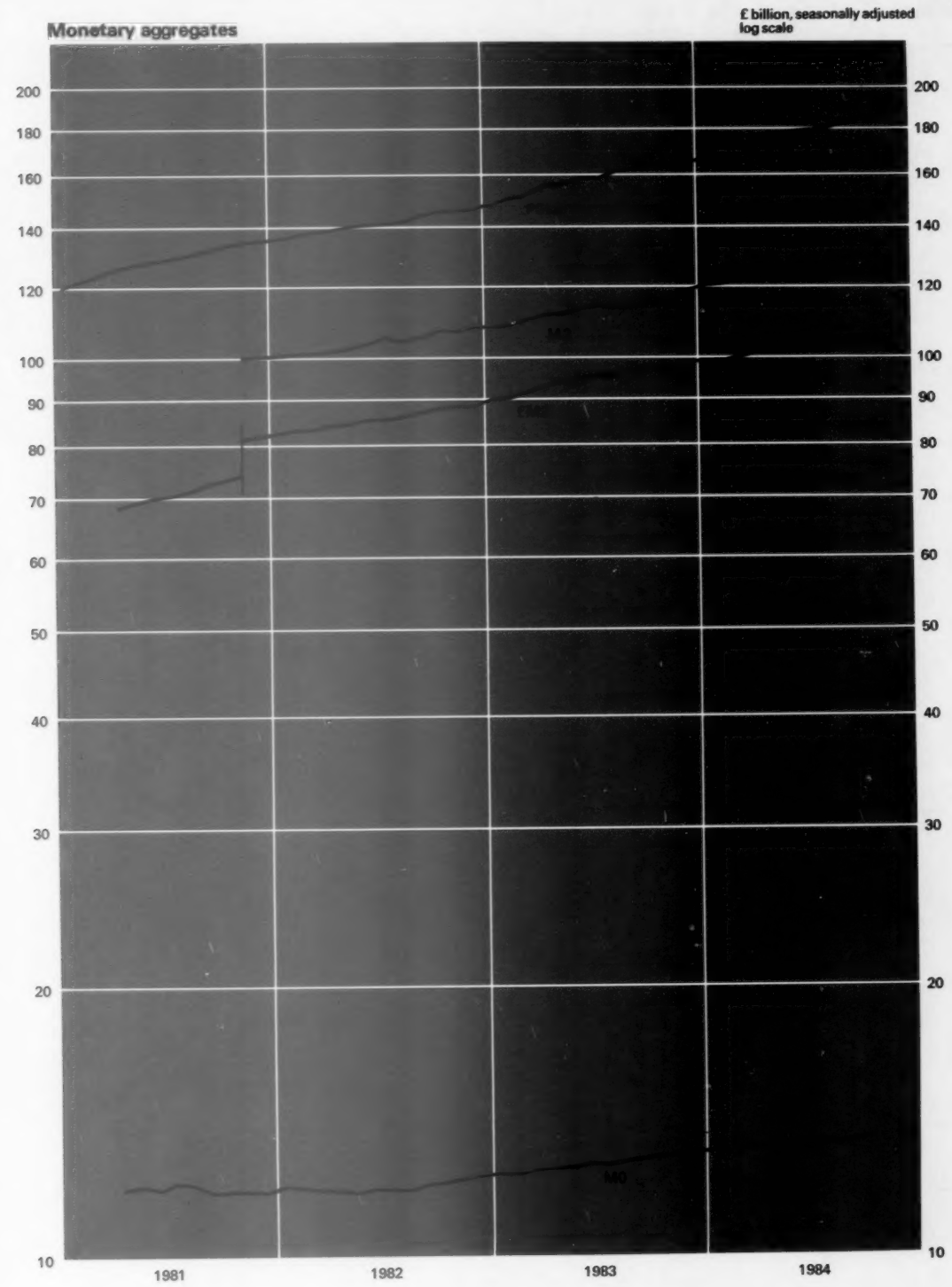
	Seasonally adjusted			Not seasonally adjusted			Seasonally adjusted					
	'Narrow' money						'Broad' money					
	M0—the wide monetary base			M2—transactions balances			£M3[2]			PSL 2		
	Amount outstanding[3]	Change[3]	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*
At end period												
1979 *3*	..	..	..	..	..	..	54 690	1 693	*+3.2*	104 580	3 032	*+3.0*
4	..	..	..	..	..	..	56 560	1 878	*+3.4*	107 935	3 320	*+3.2*
1980 *1*	..	..	..	..	..	..	58 180	1 598	*+2.8*	109 769	1 928	*+1.8*
2	..	..	..	..	..	..	61 370	3 190	*+5.5*	114 176	4 392	*+4.0*
3	..	..	..	..	..	..	64 400	3 040	*+5.0*	117 946	3 773	*+3.3*
4	..	..	..	..	..	..	67 150	2 782	*+4.3*	122 527	4 582	*+3.9*
1981 *1*	..	..	..	..	..	..	68 570	1 380	*+2.1*	124 984	2 343	*+1.9*
2	..	..	..	..	..	..	71 420	2 848	*+4.2*	129 765	4 759	*+3.8*
3	..	..	..	..	..	..	74 850	3 425	*+4.8*	134 316	4 549	*+3.5*
4[4]	..	..	..	..	..	..	76 230	1 373	*+1.8*	136 558	2 219	*+1.7*
							83 670			137 050		
1982 *1*	..	..	..	..	..	..	85 810	2 113	*+2.5*	140 510	3 528	*+2.6*
2	..	..	..	..	..	..	87 640	1 825	*+2.1*	142 857	2 331	*+1.7*
3	..	..	..	..	..	..	89 540	1 906	*+2.2*	145 812	2 964	*+2.1*
4	..	..	..	..	..	..	91 480	1 929	*+2.2*	149 074	3 209	*+2.2*
1983 *1*	..	..	..	..	..	..	95 360	3 896	*+4.3*	156 448	7 255	*+4.9*
							95 470					
2	..	..	..	..	..	..	97 690	2 234	*+2.3*	160 523	4 093	*+2.6*
3	..	..	..	..	..	..	98 660	965	*+1.0*	163 305	2 773	*+1.7*
4	..	..	..	..	..	..	101 170	2 371	*+2.4*	167 740	4 276	*+2.6*
1984 *1*	..	..	..	..	..	..	103 240	2 064	*+2.0*	173 210	5 464	*+3.3*
2	..	..	..	..	..	..	105 560	2 240	*+2.2*	180 204	6 917	*+4.0*
3	..	..	..	..	..	..	108 530		*+2.8*	186 132	5 946	*+3.3*
At mid-month												
1981 *O*	11 876	6	*+0.1*	..	..	..	73 660	830	*+1.1*	133 618	1 000	*+0.8*
N[4]	11 868	−8	*−0.1*	100 601	..	..	81 170	487	*+0.7*	134 375	710	*+0.5*
	11 868	−8	*−0.1*	100 601			81 170	487	*+0.7*	134 798	710	*+0.5*
D	11 842	−27	*−0.2*	100 901	299	*+0.3*	81 350	178	*+0.2*	135 010	481	*+0.4*
1982 *J*	12 060	223	*+1.9*	100 996	100	*+0.1*	82 510	1 174	*+1.4*	136 404	1 437	*+1.1*
F	11 996	−64	*−0.5*	100 410	− 586	*−0.6*	83 070	573	*+0.7*	137 492	1 143	*+0.8*
M	11 902	−94	*−0.8*	101 590	1 030	*+1.0*	83 460	386	*+0.5*	138 265	799	*+0.6*
A	11 910	8	*+0.1*	102 388	798	*+0.8*	84 460	969	*+1.2*	139 406	1 124	*+0.8*
M	11 861	−49	*−0.4*	102 579	191	*+0.2*	84 910	439	*+0.5*	140 236	809	*+0.6*
J	11 986	125	*+1.1*	103 786	1 207	*+1.2*	85 730	796	*+0.9*	141 184	940	*+0.7*
J	11 988	2	—	105 137	1 351	*+1.3*	85 820	82	*+0.1*	141 247	59	—
A	11 991	3	—	104 968	− 169	*−0.2*	86 670	856	*+1.0*	142 509	1 265	*+0.9*
S	12 138	147	*+1.2*	105 511	543	*+0.5*	87 460	792	*+0.9*	143 862	1 358	*+1.0*
O	12 177	39	*+0.3*	107 464	1 953	*+1.9*	88 710	1 249	*+1.4*	145 409	1 544	*+1.1*
N	12 269	92	*+0.8*	107 203	− 261	*−0.2*	88 860	144	*+0.2*	145 901	482	*+0.3*
D	12 304	35	*+0.3*	108 533	1 330	*+1.2*	88 980	110	*+0.1*	146 469	554	*+0.4*
1983 *J*	12 410	106	*+0.9*	108 428	− 85	*−0.1*	90 130	1 194	*+1.3*	148 547	2 133	*+1.5*
F	12 400	−10	*−0.1*	108 850	422	*+0.4*	90 770	615	*+0.7*	150 323	1 750	*+1.2*
M	12 535	135	*+1.1*	110 477	1 627	*+1.5*	91 790	956	*+1.1*	152 335	1 941	*+1.3*
A	12 641	106	*+0.8*	112 017	1 540	*+1.4*	93 810	1 965	*+2.1*	155 324	2 934	*+1.9*
M	12 641	20	*+0.2*	112 519	522	*+0.5*	94 450	622	*+0.7*	156 406	1 058	*+0.7*
J	12 738	97	*+0.8*	113 638	1 119	*+1.0*	95 420	944	*+1.0*	157 989	1 552	*+1.0*
J	12 724	−14	*−0.1*	114 748	1 110	*+1.0*	95 920	491	*+0.5*	159 464	1 462	*+0.9*
A	12 761	37	*+0.3*	114 214	− 534	*−0.5*	96 370	458	*+0.5*	160 836	1 372	*+0.9*
S	12 903	142	*+1.1*	114 331	97	*+0.1*	96 730	296	*+0.3*	161 649	735	*+0.5*
O	12 976	73	*+0.6*	115 085	754	*+0.7*	97 740	999	*+1.0*	162 898	1 248	*+0.8*
N	13 038	62	*+0.5*	115 282	197	*+0.2*	97 830	+ 104	*+0.1*	163 567	675	*+0.4*
	13 038	62	*+0.5*	116 040	208	*+0.2*	97 840	96	*+0.1*	163 567	675	*+0.4*
D	13 114	76	*+0.6*	119 583	3 257	*+2.8*	99 090	1 064	*+1.1*	165 271	1 514	*+0.9*
1984 *J*	13 137	23	*+0.2*	121 006	1 225	*+1.0*	99 730	649	*+0.7*	167 133	1 887	*+1.1*
F	13 157	20	*+0.2*	121 238	63	*+0.1*	99 790	87	*+0.1*	168 151	1 062	*+0.6*
M	13 231	74	*+0.6*	122 885	1 595	*+1.3*	101 190	1 385	*+1.4*	171 019	2 869	*+1.7*
A	13 242	11	*+0.1*	125 202	2 317	*+1.9*	101 500	352	*+0.3*	172 589	1 625	*+1.0*
M	13 295	53	*+0.4*	125 857	615	*+0.5*	102 330	855	*+0.8*	174 723	2 164	*+1.3*
J	13 432	+137	*+1.0*	128 017	+2 110	*+1.7*	104 420	2 062	*+2.0*	178 653	3 913	*+2.2*
J	13 462	30	*+0.2*	129 448	1 431	*+1.1*	103 410	−1 030	*−1.0*	178 799	138	*+0.1*
A	13 445	− 17	*−0.1*	129 826	378	*+0.3*	104 110	724	*+0.7*	180 473	1 717	*+1.0*
S	13 578	+133	*+1.0*	130 314	+ 488	*+0.4*	105 470	1 391	*+1.3*	182 829	2 390	*+1.3*
O	13 683	+105	*+0.8*	131 445	+1 131	*+0.9*	105 820	+ 343	*+0.3*	184 833	2 000	*+1.1*
N	13 766	+ 83	*+0.6*	132 596	+1 151	*+0.9*	108 730	+2 883	*+2.7*	188 920	+4 053	*+2.2*

[1] Data for M0, *£M3* and *PSL2* are seasonally adjusted; there are at present no seasonal adjustments for M2.

[2] Excluding public sector deposits (see article in *Economic Trends* No. 384, February 1984).

[3] The monthly figures for M0 give, in respect of the amounts outstanding, the average of the amounts outstanding on each Wednesday during the banking month and, in respect of the change, the change between the average amounts outstanding.

[4] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.


Monetary aggregates
£ billion, seasonally adjusted
log scale
200
180
160
140
120
100
90
80
70
60
50
40
30
20
10
M3
M0
1981
1982
1983
1984

Counterparts to changes in money stock[1]

£ million, seasonally adjusted[2]

	Domestic counterparts								
	Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector						
	Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt	Sterling lending to UK private sector[3]	Sub-total of domestic counterparts	External and foreign currency counterparts	Non-deposit liabilities (net)	Money stock £M3
	1	2	3	4	5	6	7	8	9
1979	10 364	2 305	1 019	9 895	8 585	10 340	−3 116	− 573	6 651
1980	10 806	1 003	241	9 185	10 025	12 408	− 432	−1 381	10 595
1981	10 398	182	−803	12 118	11 405	10 670	369	−1 743	9 296
1982	7 855	−2 908	−395	11 012	12 556	11 886	−2 205	−2 166	7 515
1983	14 492	−2 873	−540	11 309	12 759	13 609	− 569	−3 567	9 473
1980 *1*	293	451	402	1 567	3 182	1 957	266	− 625	1 598
2	3 432	449	316	1 777	2 423	4 211	− 649	− 372	3 190
3	3 792	324	−177	3 180	2 539	3 652	− 338	− 274	3 040
4	3 289	− 221	−300	2 661	1 881	2 588	289	− 95	2 782
1981 *1*	2 502	− 654	−489	3 909	2 053	481	1 303	− 404	1 380
2	5 713	543	−110	3 280	895	3 981	− 534	− 599	2 848
3	2 964	47	−146	1 762	2 864	4 259	− 202	− 632	3 425
4	−781	246	− 58	3 167	5 326	1 682	− 198	− 111	1 373
1982 *1*	−156	179	− 59	3 593	5 877	2 366	− 4	− 249	2 113
2	1 763	− 123	− 44	1 136	3 628	4 176	−1 882	− 469	1 825
3	2 824	−1 095	− 55	4 256	5 046	2 574	26	− 694	1 906
4	3 424	−1 869	−237	2 027	3 272	3 037	− 345	− 763	1 929
1983 *1*	5 156	− 787	54	1 318	2 226	5 223	− 748	− 579	3 896
2	3 664	−1 885	−292	2 211	3 364	3 224	168	−1 158	2 234
3	2 875	− 103	−223	4 648	3 605	1 952	− 49	− 938	965
4	2 797	− 98	− 79	3 132	3 564	3 210	60	− 899	2 371
1984 *1*	2 464	− 436	247	2 791	4 930	3 920	− 82	−1 774	2 064
2	3 297	+ 1	148	2 104	2 833	3 879	− 658	− 981	2 240
3	2 557	+ 85	−127	2 961	3 493	3 301	807	−1 120	2 988
Month ended									
1983 Feb. 16	903		34	− 726	1 356	1 567	− 668	− 284	615
Mar. 16	2 093		−693	− 245	633	1 788	84	− 916	956
April 20	2 007		− 42	− 287	84	1 762	107	96	1 965
May 18	1 301		−598	− 959	1 407	1 151	− 52	− 572	31
June 15	1 710		−831	− 903	1 126	1 102	− 190	− 23	935
July 20	1 244		−399	−1 200	783	428	− 62	125	491
Aug. 17	851		190	−1 186	1 220	1 075	− 320	− 297	458
Sept. 21	1 249		586	−2 261	1 221	795	151	− 649	296
Oct. 19	789		−395	− 809	1 602	1 187	− 428	239	999
Nov. 16	1 260		28	−1 510	995	773	− 210	− 460	104
Dec. 14	284		172	− 690	1 647	1 413	159	− 507	1 064
1984 Jan. 18	867		−805	− 991	945	16	1 229	− 596	649
Feb. 15	1 276		25	−1 102	1 258	1 457	− 487	− 882	87
Mar. 21	666		−127	− 603	1 645	1 581	176	− 373	1 385
April 18	1 510		183	−1 281	1 432	1 844	−1 002	− 489	352
May 16	785		−340	− 383	890	952	− 1	− 97	855
June 20	1 252		68	− 973	1 571	1 918	148	− 3	2 062
July 18	197		−185	− 845	348	−485	− 446	− 99	−1 030
Aug. 15	863		274	−1 654	733	216	409	− 98	724
Sept. 19	1 329		223	− 861	1 470	2 161	− 575	− 195	1 391
Oct. 17	211		− 47	−1 460	2 155	859	− 51	− 465	343
Nov. 21	2 067		540	−1 456	1 688	2 839	1 335	−1 291	2 883

Relationship between columns: 6 = 1 + 2 − 3 − 4 + 5; 9 = 6 + 7 + 8 (The figures combined in the bracket are column 2 *less* column 3.)

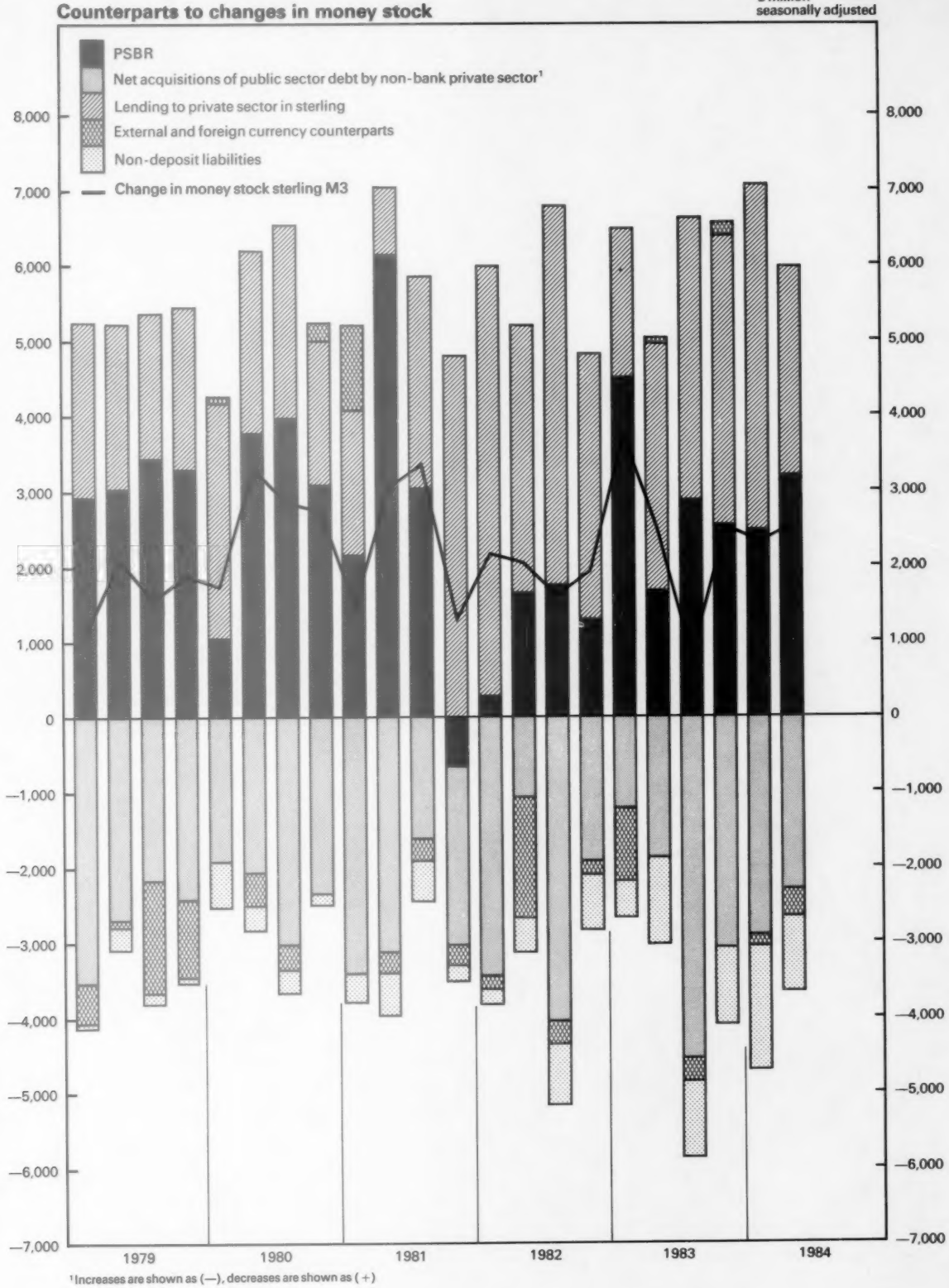
[1] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.

[2] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[3] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.

Counterparts to changes in money stock

£ million
seasonally adjusted



[1] Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government								
	Receipts[2]		Expenditure						
			Goods and services		Current and capital transfers				
	Taxes, national insurance, etc. contributions	Trading income rent, royalties interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending etc.[3]	Total
1980	82 064	10 039	48 810	5 648	32 608	2 227	11 363	3 454	104 110
1981	95 362	11 158	55 301	4 550	38 727	2 451	13 292	2 624	116 945
1982	106 919	12 363	60 163	4 688	43 633	2 868	14 580	2 673	128 605
1983	115 143	12 015	65 823	5 754	47 825	3 598	14 616	840	138 456
1981 *1*	23 205	2 803	13 395	1 696	9 216	712	3 665	346	29 030
2	21 257	2 663	13 633	890	9 814	497	2 686	922	28 442
3	25 406	2 843	14 008	942	9 843	594	3 980	888	30 255
4	25 494	2 849	14 252	1 022	9 854	648	2 961	468	29 205
1982 *1*	26 091	3 091	14 693	1 477	10 319	859	4 280	637	32 265
2	24 645	3 051	14 931	749	10 911	519	3 094	179	30 383
3	27 320	3 030	15 061	1 185	10 864	611	4 128	1 045	32 894
4	26 863	3 191	15 468	1 277	11 539	879	3 078	812	33 053
1983 *1*	30 458	3 187	16 416	2 051	11 511	1 031	4 190	1 002	36 201
2	26 280	2 933	16 404	884	11 969	718	3 003	42	33 020
3	28 211	2 913	16 300	1 423	11 977	838	4 004	−40	34 502
4	30 194	2 982	16 835	1 396	12 368	1 011	3 419	−164	34 865
1984 *1*	32 227	3 098	16 907	2 223	13 122	1 242	4 503	−326	37 671
2	27 876	3 018	16 862	1 042	12 604	855	3 386	−156	34 593
3	30 975	3 069	17 226	1 455	12 418	849	4 204	−276	35 876

[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).

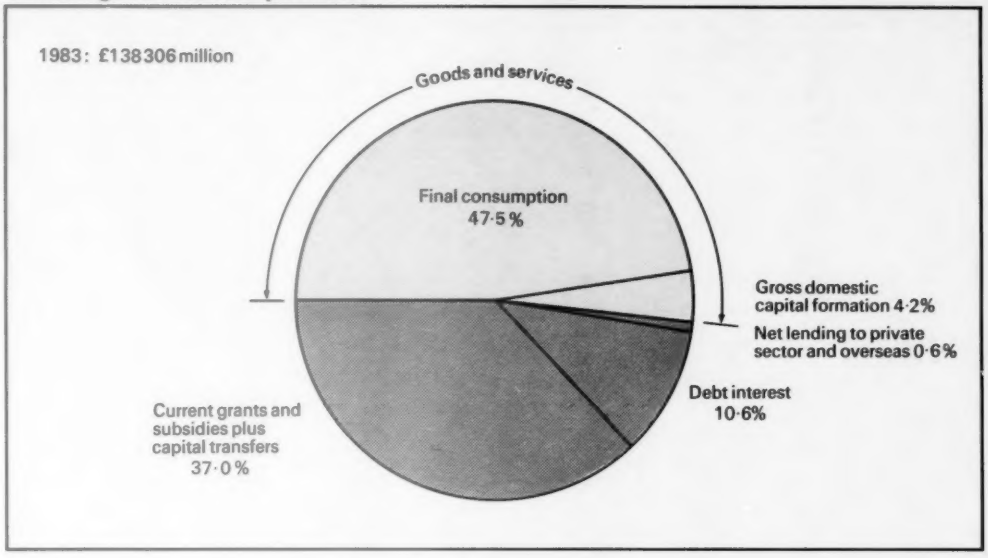
Financial transactions of the public sector

£ million

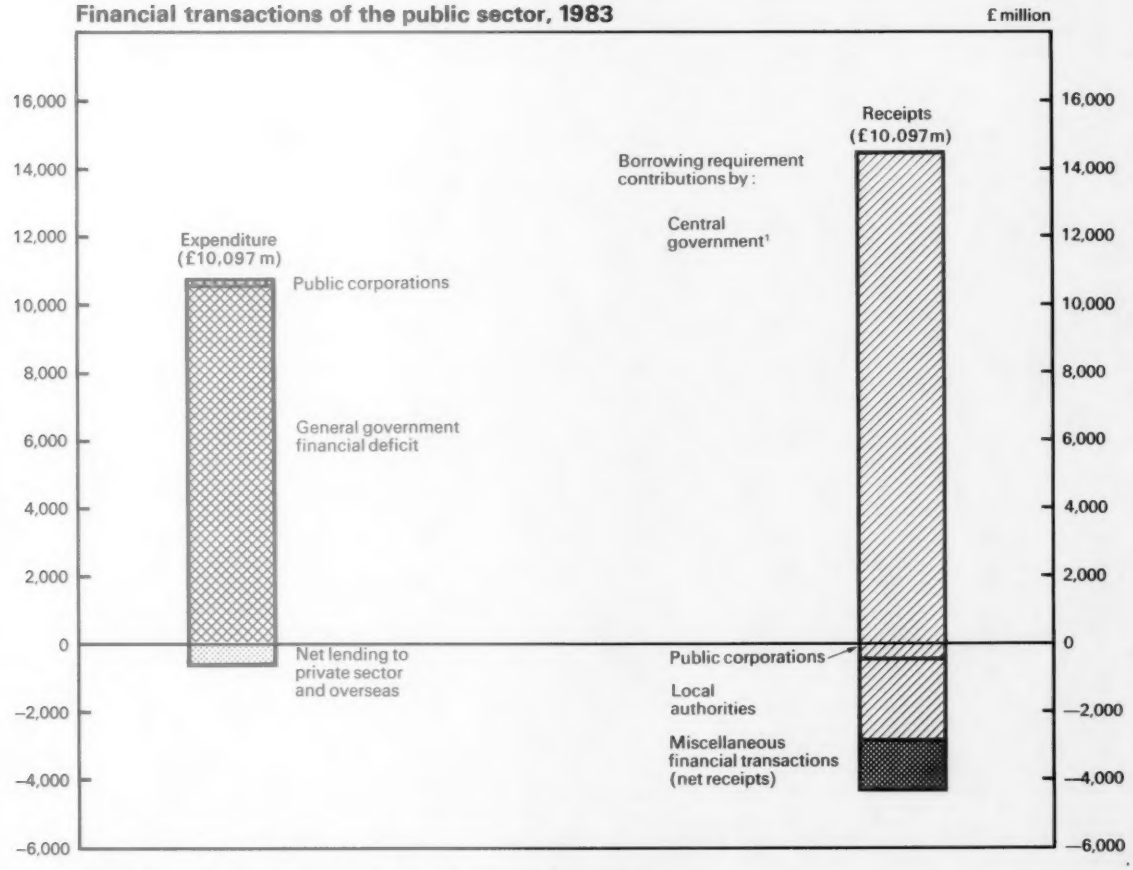
	Financial deficit[1]				Receipts					
							Borrowing requirement[4]			
								Contributions by:		
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[5]	Local authorities	Public corporations	Seasonally adjusted Total[6]
1980	11 153	8 553	2 600	526	11 679	− 138	11 817	10 806	1 738	−727	11 817
1981	9 031	7 801	1 230	888	9 919	− 668	10 587	10 398	993	−804	10 587
1982	7 888	6 650	1 238	785	8 673	3 720	4 953	7 855	−2 108	−794	4 953
1983	10 729	10 458	271	−632	10 097	−1 494	11 591	14 493	−2 422	−480	11 591
1980 *2*	3 459	2 805	654	456	3 915	− 682	4 577	4 524	406	−353	3 882
3	3 518	2 224	1 294	202	3 720	− 113	3 833	3 310	376	147	4 118
4	2 191	1 993	198	− 41	2 150	−2 274	4 424	4 735	− 470	159	3 071
1981 *1*	3 062	2 679	383	−141	2 921	3 073	− 152	175	530	−857	1 848
2	3 873	3 603	270	585	4 458	−3 147	7 605	7 454	220	− 69	6 253
3	1 949	1 121	828	282	2 231	− 314	2 545	2 265	356	− 76	3 015
4	147	398	−251	162	309	− 280	589	504	− 113	198	−529
1982 *1*	617	446	171	54	671	2 781	−2 110	−2 609	508	− 9	16
2	2 874	2 512	362	282	3 156	464	2 692	3 199	− 151	−356	1 641
3	2 434	1 504	930	244	2 678	965	1 713	2 551	− 745	− 93	1 735
4	1 963	2 188	−225	205	2 168	− 490	2 658	4 714	−1 720	−336	1 561
1983 *1*	1 582	1 544	38	77	1 659	− 142	1 801	2 269	− 13	−455	4 346
2	3 792	3 733	59	−401	3 391	224	3 167	5 460	−1 468	−825	1 786
3	4 156	3 371	785	−258	3 898	197	3 701	3 519	83	99	2 781
4	1 199	1 810	−611	− 50	1 149	−1 773	2 922	3 245	−1 024	701	2 678
1984 *1*	2 287	2 651	−364	−379	1 908	1 962	− 54	60	211	−325	2 016
2	4 041	3 869	172	−164	3 877	− 709	4 586	4 948	58	−420	3 317
3	3 003	2 082	921	−469	2 534	− 395	2 929	2 281	508	140	2 938

[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of financial surplus/deficit.
[2] Top table, columns 3 to 7, *less* 1 and 2.
[3] Including cash expenditure on company securities (net).
[4] Redefined: see article in *Economic Trends* No. 364, February 1984.
[5] Including borrowing matched by on-lending to local authorities and public corporations.
[6] Calendar year constrained.

General government expenditure



Financial transactions of the public sector, 1983



[1] Including borrowing matched by on-lending to local authorities and public corporations

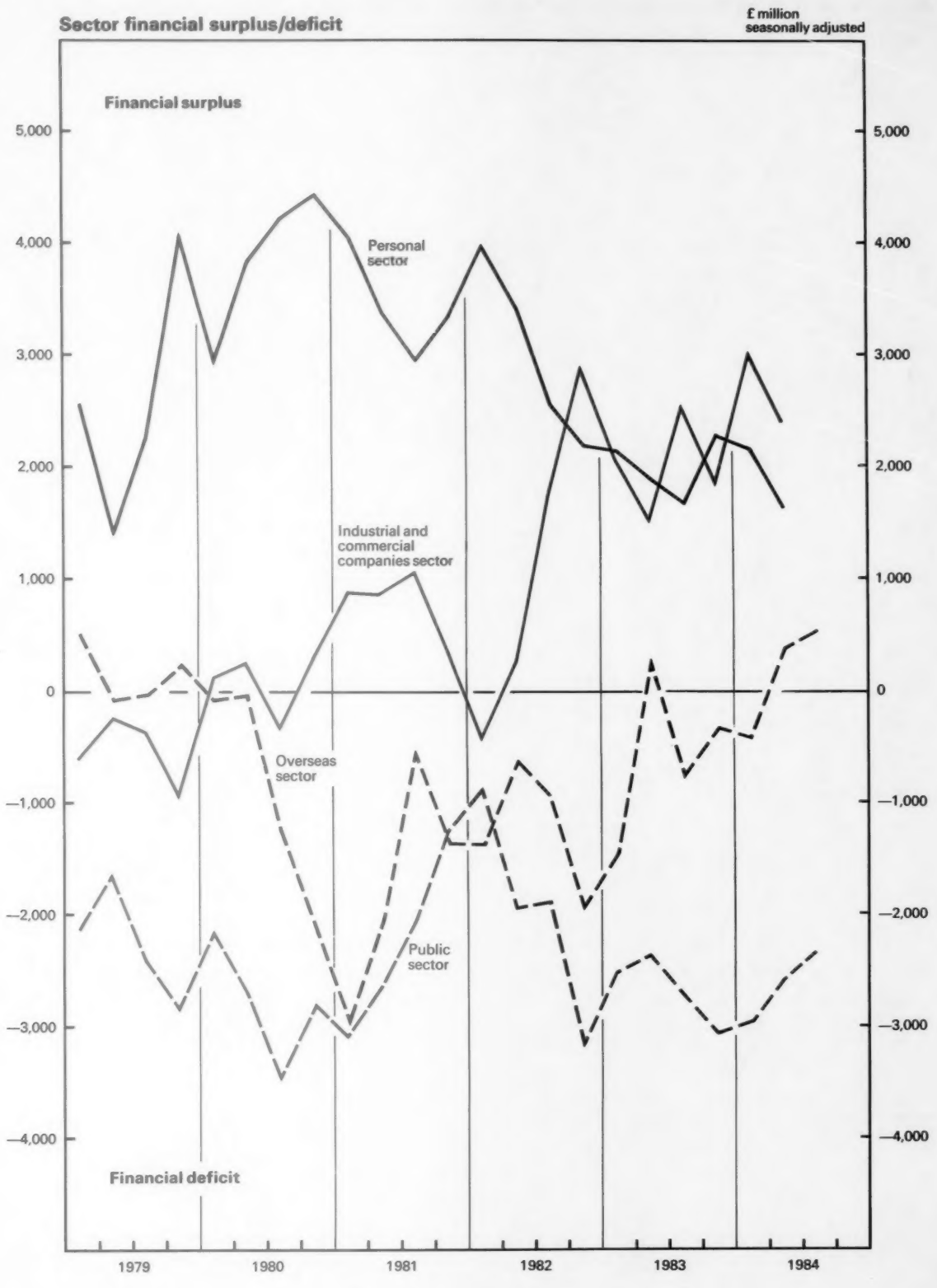
Summary capital accounts and financial surplus or deficit: analysis by sector

£ million, seasonally adjusted

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1979	3 148	– 406	11 406	3 803	–103	3 883	21 108	349	23 179
1980	2 300	– 563	12 890	3 945	–128	5 157	17 502	416	17 652
1981	3 226	– 432	11 825	4 087	–399	5 361	19 533	629	17 023
1982	5 696	– 857	12 727	4 737	–252	5 876	20 560	603	16 742
1983	4 902	–1 408	14 223	5 689	–182	5 253	26 651	475	19 254
1979 *4*	216	– 82	2 970	910	– 29	1 018	5 115	58	6 146
1980 *1*	1 161	– 118	3 210	976	– 27	1 222	5 387	68	5 354
2	406	– 138	2 979	1 202	– 38	1 270	5 024	87	4 873
3	74	– 197	3 349	1 031	– 33	1 256	3 567	124	4 053
4	657	– 110	3 352	736	– 30	1 409	3 524	137	3 372
1981 *1*	204	– 156	3 127	912	– 32	1 218	4 285	145	3 578
2	531	– 174	2 999	923	– 45	1 351	4 767	169	4 094
3	907	– 202	2 780	964	– 40	1 387	5 443	179	4 510
4	1 584	100	2 919	1 288	–282	1 405	5 038	136	4 841
1982 *1*	2 481	– 212	3 163	701	– 94	1 445	3 897	185	4 540
2	1 174	– 112	2 985	1 279	– 65	1 504	4 769	92	4 627
3	1 546	– 188	3 250	1 397	– 53	1 561	5 417	88	3 740
4	495	– 345	3 329	1 360	– 40	1 366	6 477	238	3 835
1983 *1*	1 466	– 312	3 676	1 488	– 46	1 445	6 240	186	4 405
2	1 247	– 281	3 357	1 508	– 60	1 257	5 764	116	4 383
3	1 282	– 376	3 643	1 285	– 43	1 241	7 494	85	5 052
4	907	– 439	3 547	1 408	– 33	1 310	7 153	88	5 414
1984 *1*	924	– 425	3 463	1 190	– 64	1 536	8 158	57	5 216
2	922	– 399	3 089	1 755	– 59	1 512	7 571	107	5 281
3	1 361	– 408	3 291		– 40			108	

	Personal sector			Financial Surplus/Deficit[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Balancing item[6]
1979	19 385	160	9 201	– 8 664	– 183	–1 722	10 344	525	– 300
1980	24 575	275	9 481	–11 153	–1 340	286	15 369	–3 477	335
1981	23 803	202	10 253	– 9 031	–1 673	3 139	13 752	–6 930	743
1982	24 609	506	12 978	– 7 888	–1 391	4 421	12 137	–4 881	–2 398
1983	22 257	1 115	15 423	–10 729	254	7 872	7 949	–2 294	–3 052
1979 *4*	6 484	53	2 503	– 2 836	– 137	– 973	4 044	232	– 330
1980 *1*	5 259	77	2 454	– 2 167	– 273	101	2 882	– 85	– 458
2	6 051	88	2 289	– 2 709	– 106	238	3 851	– 31	–1 243
3	6 544	106	2 421	– 3 472	– 258	– 382	4 229	–1 272	1 135
4	6 721	3	2 317	– 2 805	– 703	289	4 407	–2 089	901
1981 *1*	6 355	43	2 352	– 3 079	– 338	852	4 046	–2 978	1 497
2	5 679	50	2 334	– 2 642	– 473	842	3 395	–2 048	926
3	5 610	63	2 717	– 2 075	– 463	1 112	2 956	– 550	– 980
4	6 159	46	2 850	– 1 235	– 399	333	3 355	–1 354	– 700
1982 *1*	6 909	121	3 047	– 894	– 838	– 458	3 983	–1 383	– 410
2	6 473	85	3 155	– 1 923	– 290	234	3 403	– 618	– 806
3	5 695	153	3 283	– 1 892	– 217	1 765	2 565	– 941	–1 280
4	5 532	147	3 493	– 3 179	– 46	2 880	2 186	–1 939	98
1983 *1*	5 528	172	3 584	– 2 522	– 3	2 021	2 116	–1 444	– 168
2	5 446	225	3 790	– 2 391	191	1 497	1 881	251	–1 429
3	5 321	334	3 991	– 2 737	1	2 527	1 664	– 751	– 704
4	5 962	384	4 058	– 3 079	65	1 827	2 288	– 350	– 751
1984 *1*	5 971	432	4 246	– 2 964	– 410	2 999	2 157	– 424	–1 358
2	5 522	351	4 260	– 2 566	184	2 397	1 613	379	–2 007
3		341		– 2 338				542	

[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation, stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
[4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
[6] For periods when the sector current and capital accounts are fully articulated it is equal to the residual error in the national accounts.

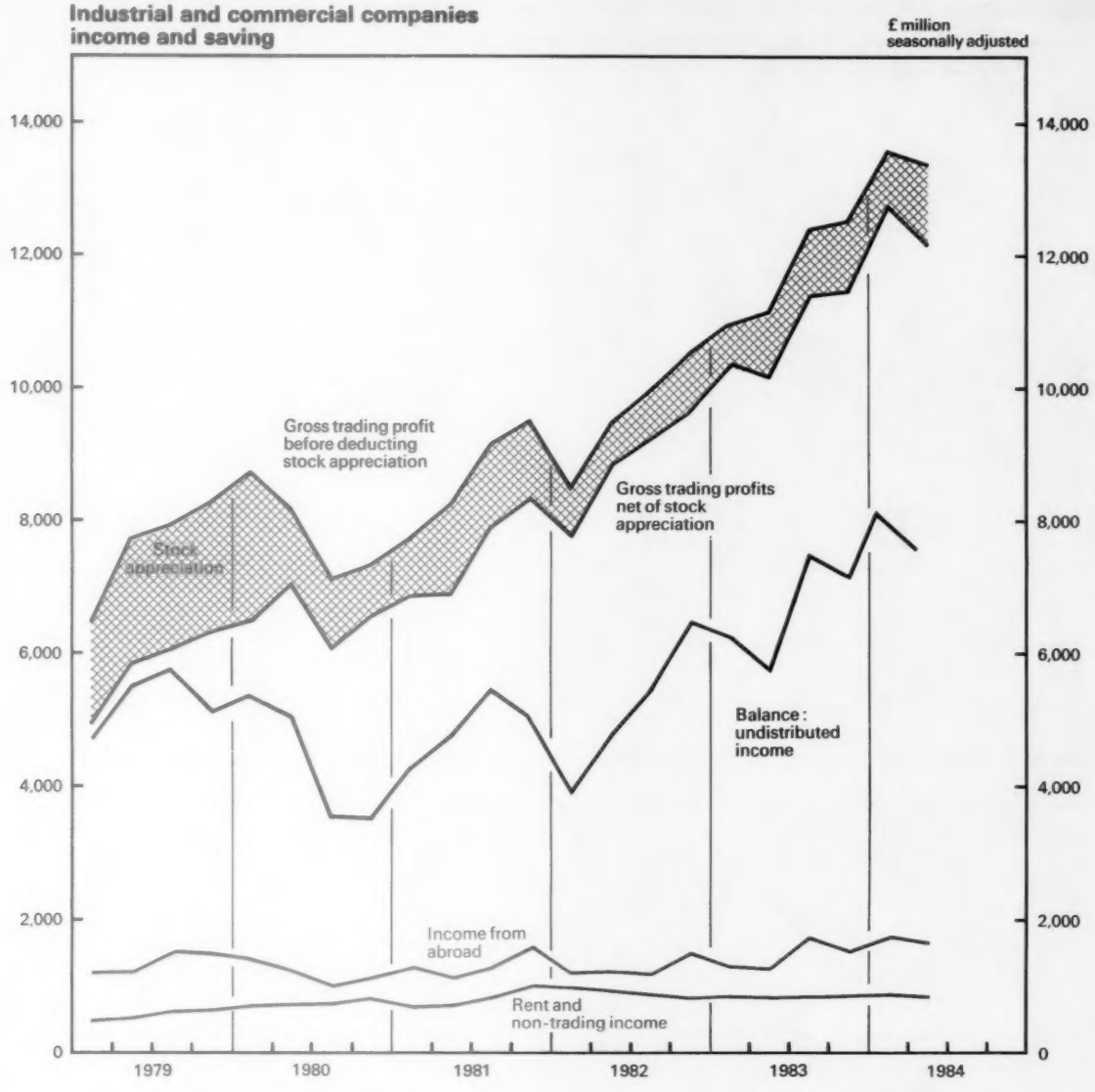

Sector financial surplus/deficit
£ million
seasonally adjusted
Financial surplus
5,000
4,000
3,000
2,000
1,000
0
—1,000
—2,000
—3,000
—4,000
Personal sector
Industrial and commercial companies sector
Overseas sector
Public sector
Financial deficit
1979
1980
1981
1982
1983
1984

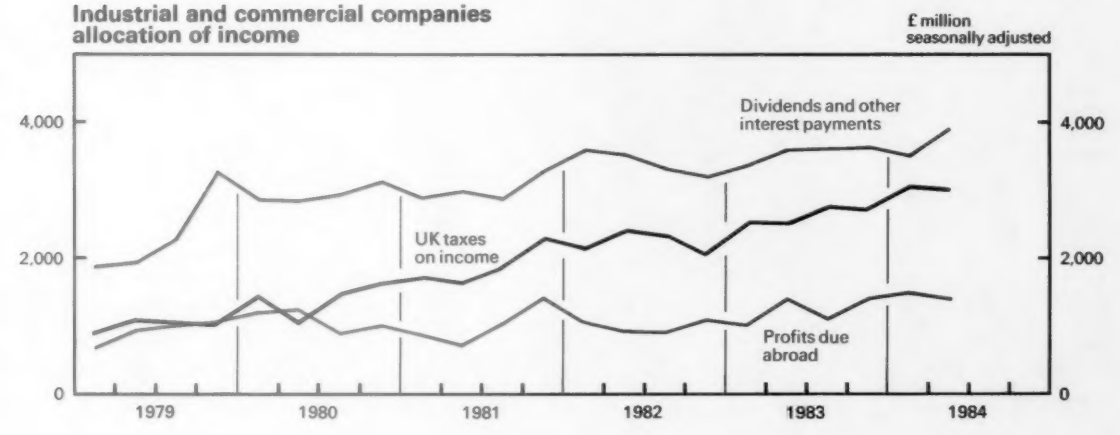
Appropriation account of industrial and commercial companies

£ million, seasonally adjusted

	Income								Allocation of income				Balance	
	Income arising in the United Kingdom								Dividends, interest and current transfer payments					
	Gross trading profits													
	Net of stock appreciation													
	Total income	N. Sea oil companies	Other companies	Total	Stock appreciation	Total[1]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Dividends on ordinary shares[2]	Other[2,3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Undistributed income[5]	Undistributed income adjusted for unremitted profits[5,6]
1973	14 122	33	8 832	8 865	2 261	11 126	1 002	1 994	1 381	2 475	646	1 375	8 245	7 862
1974	16 341	– 17	8 101	8 084	4 744	12 828	1 288	2 225	1 246	3 458	506	2 178	8 953	8 422
1975	16 064	– 50	8 849	8 799	4 252	13 051	1 301	1 712	1 329	3 392	422	1 727	9 194	8 571
1976	20 433	527	10 500	11 027	5 372	16 399	1 562	2 472	1 532	3 934	724	1 460	12 783	11 656
1977	25 441	1 971	15 598	17 569	3 972	21 541	1 434	2 466	1 749	4 089	1 729	2 395	15 479	15 544
1978	29 169	2 614	18 581	21 195	3 397	24 592	1 728	2 849	1 929	4 479	1 980	3 121	17 660	17 622
1979	38 448	5 249	17 937	23 186	7 252	30 438	2 445	5 565	3 364	6 152	3 736	4 088	21 108	22 057
1980	39 574	8 057	18 088	26 145	5 274	31 419	3 175	4 980	3 260	8 686	4 493	5 633	17 502	18 261
1981	43 523	10 865	19 140	30 005	4 664	34 669	3 411	5 443	3 225	8 983	4 224	7 558	19 533	19 253
1982	47 438	12 708	22 696	35 404	3 081	38 485	3 748	5 205	3 452	10 385	4 084	8 957	20 560	20 065
1983	56 634	15 652	27 707	43 359	3 680	47 039	3 510	6 085	4 254	10 104	5 007	10 618	26 651	26 066
1977 *1*	6 396	436	3 446	3 882	1 418	5 300	434	662	383	1 145	362	507	3 999	3 949
2	6 306	507	3 854	4 361	951	5 312	349	645	436	1 008	453	602	3 807	3 827
3	6 477	519	4 077	4 596	954	5 550	338	589	455	998	474	630	3 920	3 933
4	6 262	509	4 221	4 730	649	5 379	313	570	475	938	440	656	3 753	3 835
1978 *1*	6 682	561	4 618	5 179	548	5 727	334	621	464	901	453	645	4 219	4 273
2	7 269	643	4 521	5 164	969	6 133	415	721	582	1 093	433	749	4 412	4 407
3	7 652	638	4 957	5 595	866	6 461	462	729	432	1 158	510	830	4 722	4 673
4	7 566	772	4 485	5 257	1 014	6 271	517	778	451	1 327	584	897	4 307	4 269
1979 *1*	8 234	945	4 042	4 987	1 464	6 451	555	1 228	533	1 376	709	915	4 701	4 656
2	9 577	1 189	4 624	5 813	1 945	7 758	571	1 248	590	1 409	971	1 103	5 504	5 881
3	10 167	1 510	4 533	6 043	1 919	7 962	643	1 562	713	1 595	1 002	1 069	5 788	6 096
4	10 470	1 605	4 738	6 343	1 924	8 267	676	1 527	1 528	1 772	1 054	1 001	5 115	5 424
1980 *1*	10 971	1 944	4 541	6 485	2 263	8 748	756	1 467	819	2 087	1 251	1 427	5 387	5 771
2	10 244	1 926	5 088	7 014	1 166	8 180	771	1 293	719	2 158	1 290	1 053	5 024	5 216
3	8 957	1 974	4 076	6 050	1 088	7 138	795	1 024	846	2 136	921	1 487	3 567	3 714
4	9 402	2 213	4 383	6 596	757	7 353	853	1 196	876	2 305	1 031	1 668	3 524	3 560
1981 *1*	9 847	2 469	4 415	6 884	888	7 772	751	1 324	802	2 131	910	1 719	4 285	4 124
2	10 208	2 619	4 270	6 889	1 369	8 258	759	1 191	883	2 125	770	1 663	4 767	4 556
3	11 340	2 786	5 113	7 899	1 221	9 120	897	1 323	790	2 155	1 075	1 877	5 443	5 407
4	12 128	2 991	5 342	8 333	1 186	9 519	1 004	1 605	750	2 572	1 469	2 299	5 038	5 166
1982 *1*	10 684	2 706	5 042	7 748	712	8 460	1 001	1 233	993	2 614	1 030	2 160	3 897	3 799
2	11 719	2 907	5 912	8 819	674	9 493	986	1 240	921	2 661	964	2 404	4 769	4 798
3	12 114	3 408	5 816	9 224	769	9 993	902	1 219	824	2 564	954	2 355	5 417	5 479
4	12 911	3 687	5 926	9 613	926	10 539	859	1 513	714	2 546	1 136	2 038	6 477	5 989
1983 *1*	13 210	3 802	6 549	10 351	613	10 964	888	1 358	831	2 577	1 006	2 556	6 240	6 382
2	13 368	3 521	6 626	10 147	1 016	11 163	863	1 342	1 129	2 499	1 421	2 555	5 764	6 011
3	15 066	4 030	7 367	11 397	999	12 396	875	1 795	1 166	2 473	1 161	2 772	7 494	7 486
4	14 990	4 299	7 165	11 464	1 052	12 516	884	1 590	1 128	2 555	1 419	2 735	7 153	6 187
1984 *1*	16 286	4 403	8 373	12 776	822	13 598	901	1 787	977	2 570	1 544	3 037	8 158	8 800
2	15 953	4 421	7 734	12 155	1 231	13 386	890	1 677	1 244	2 712	1 425	3 001	7 571	7 894

[1] Before providing for depreciation and stock appreciation.
[2] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.
[3] Including royalties and licence fees on oil and gas production.
[4] Mainly payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Before providing for depreciation, stock appreciation and additions to reserves.
[6] Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.


Industrial and commercial companies
income and saving
£ million
seasonally adjusted
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Gross trading profit
before deducting
stock appreciation
Stock
appreciation
Gross trading profits
net of stock
appreciation
Balance:
undistributed
income
Income from
abroad
Rent and
non-trading income
1979
1980
1981
1982
1983
1984


Industrial and commercial companies
allocation of income
£ million
seasonally adjusted
4,000
2,000
0
Dividends and other
interest payments
UK taxes
on income
Profits due
abroad
1979
1980
1981
1982
1983
1984

Capital account and financial surplus/deficit of industrial and commercial companies

£ million, seasonally adjusted

	Receipts						Expenditure				
	Total receipts	Undistributed income	Stock appreciation	Undistributed income *less* stock appreciation	Capital transfers: Investment grants	Capital transfers: Other	Total expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Balance: Financial surplus/deficit
1979	14 277	21 108	7 252	13 856	21	400	15 999	14 090	1 837	72	−1 722
1980	12 739	17 502	5 274	12 228	37	474	12 473	15 192	−2 814	95	266
1981	15 604	19 533	4 664	14 869	42	693	12 465	15 028	−2 669	106	3 139
1982	18 134	20 580	3 081	17 479	45	610	13 713	15 634	−1 973	52	4 421
1983	23 621	26 651	3 680	22 971	49	601	15 749	15 919	− 345	175	7 872
1980 *2*	3 968	5 024	1 166	3 858	10	100	3 730	3 826	− 119	23	238
3	2 628	3 567	1 088	2 479	12	137	2 990	3 760	− 795	25	− 362
4	2 925	3 524	757	2 767	9	149	2 636	3 910	−1 295	21	289
1981 *1*	3 565	4 285	888	3 397	9	159	2 713	3 777	−1 087	23	852
2	3 593	4 767	1 369	3 398	11	184	2 751	3 787	−1 062	26	842
3	4 426	5 443	1 221	4 222	12	192	3 314	3 682	− 393	25	1 112
4	4 020	5 038	1 186	3 852	10	158	3 687	3 782	− 127	32	333
1982 *1*	3 320	3 897	712	3 185	9	126	3 778	3 675	153	−50	− 458
2	4 219	4 769	674	4 095	9	115	3 985	3 937	16	32	234
3	4 771	5 417	769	4 648	10	113	3 006	3 970	− 999	35	1 765
4	5 824	6 477	926	5 551	17	256	2 944	4 052	−1 143	35	2 880
1983 *1*	5 848	6 240	613	5 627	16	205	3 827	3 869	− 77	35	2 021
2	4 905	5 764	1 016	4 748	11	146	3 408	3 955	− 588	41	1 497
3	6 629	7 494	999	6 495	11	123	4 102	3 807	246	49	2 527
4	6 239	7 153	1 052	6 101	11	127	4 412	4 288	74	50	1 827
1984 *1*	7 446	8 158	822	7 336	9	101	4 430	4 433	− 39	36	3 016
2	6 485	7 571	1 231	6 340	10	135	4 089	4 579	− 529	39	2 396

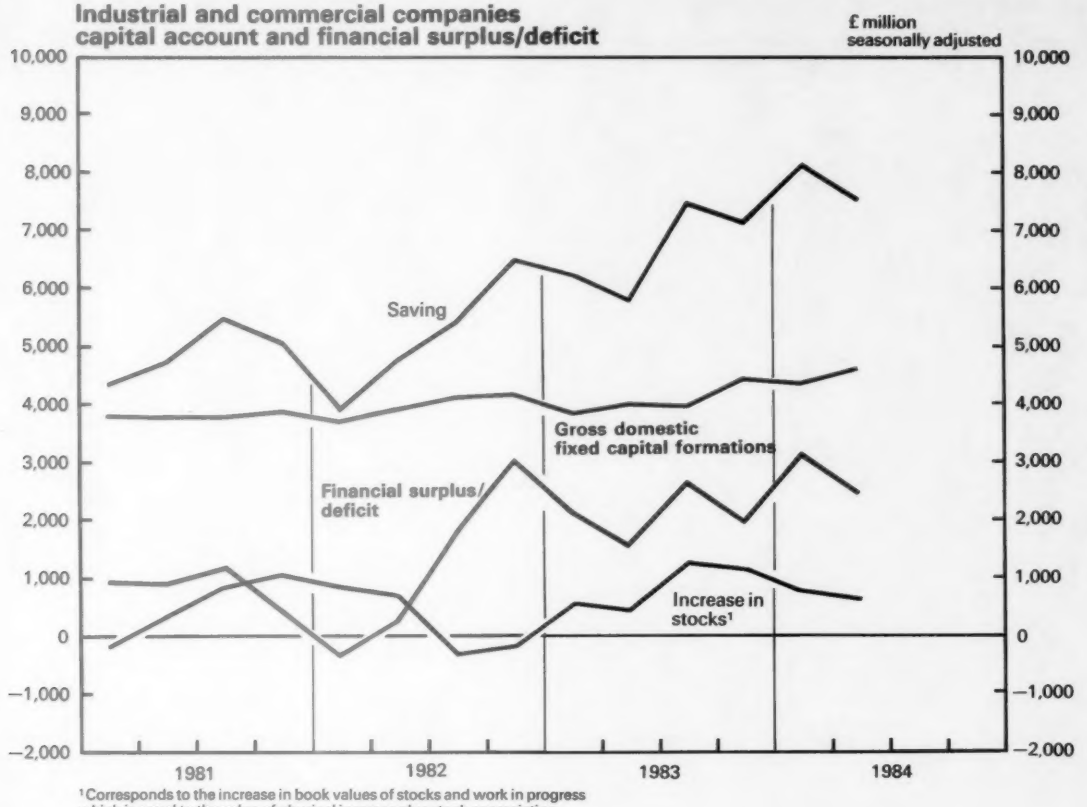
Financial transactions including net borrowing requirement of industrial and commercial companies[1]

£ million, seasonally adjusted

	Transactions leading to net borrowing requirement						Financing of net borrowing requirement[5]				
	Financial surplus/deficit	Net unremitted profits[2]	Net identified trade and other credit[3]	Investment in UK company securities[4]	Investment abroad	Balancing item	Borrowing from: Banks[6]	Borrowing from: Other	Financial assets: Liquid	Financial assets: Other	Net borrowing requirement (NBR)
1979	−1 722	949	2 073	−1 904	−3 598	−1 095	3 981	1 965	− 717	68	5 297
1980	266	759	− 578	− 947	−2 968	−2 276	6 340	3 336	−3 554	− 378	5 744
1981	3 139	− 280	724	−1 286	−3 856	−1 840	5 847	3 400	−4 807	−1 041	3 399
1982	4 421	− 495	−1 065	−1 281	−2 706	−4 289	6 573	2 934	−2 658	−1 434	5 415
1983	7 872	− 585	548	−1 381	−2 354	−2 316	1 447	4 736	−6 160	−1 807	−1 784
1980 *2*	238	192	132	− 185	−1 203	−1 022	1 902	737	− 490	− 301	1 848
3	− 362	147	157	− 434	− 167	36	1 405	796	−1 834	257	623
4	289	36	429	− 148	− 535	− 388	614	1 269	−1 552	− 14	317
1981 *1*	852	− 161	−1 022	− 336	−1 054	2 001	701	237	−1 295	77	− 280
2	842	− 211	2 748	− 254	− 893	140	−1 023	1 385	−1 769	− 965	−2 372
3	1 112	− 36	440	− 293	− 863	−1 124	1 852	931	−1 893	− 126	764
4	333	128	−1 445	− 403	−1 046	−2 815	4 050	847	378	− 27	5 248
1982 *1*	− 458	− 98	580	− 290	− 772	−2 207	3 265	1 234	−1 472	218	3 245
2	234	29	−1 182	− 340	− 473	− 454	1 222	826	185	− 47	2 186
3	1 765	62	43	− 375	− 740	−1 346	1 993	353	−1 137	− 618	591
4	2 880	− 488	− 510	− 276	− 721	80	360	521	− 859	− 987	− 965
1983 *1*	2 021	142	1 074	− 228	− 912	− 755	− 669	718	−1 219	− 172	−1 342
2	1 497	247	− 671	− 525	− 82	−1 278	409	1 239	− 489	− 347	812
3	2 527	− 8	− 331	− 323	− 647	−2 307	1 219	1 389	−1 252	− 267	1 089
4	1 827	− 966	473	− 305	− 713	2 047	488	1 390	−3 220	−1 021	−2 363
1984 *1*	2 999	642	544	− 999	−1 193	−3 646	2 515	− 71	−1 075	284	1 653
2	2 397	323	− 385	− 482	−1 947	−1 702	961	−1 257	2 287	− 195	1 796

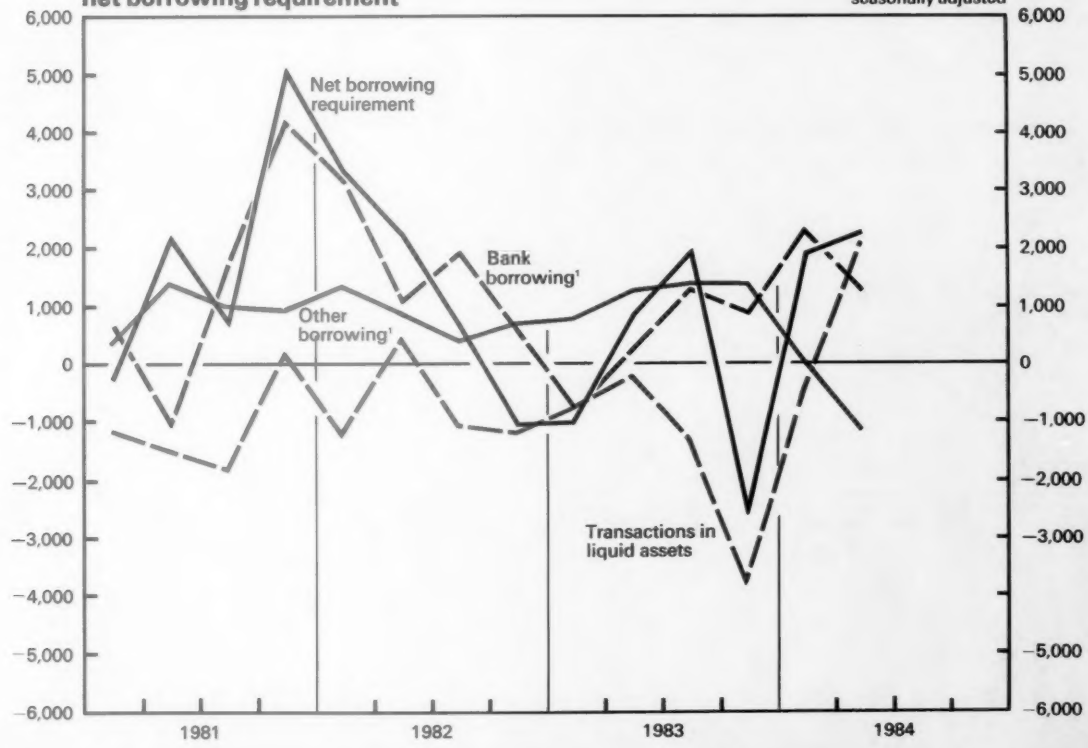
[1] Inflows (+), outflows (−); Relationships between columns: 1+2+3+4+5+6+7+8+9+10=zero; 7+8+9+10=11
[2] Retained in UK (+), retained abroad (−).
[3] Includes accruals adjustment.
[4] Cash expenditure on subsidiaries and trade investments in the United Kingdom.
[5] The NBR seasonal adjustments include day-of-week adjustments the quarterly figures therefore do not always sum to the annual totals.
[6] Includes Bank of England Issue Department transactions in commercial bills.

Industrial and commercial companies capital account and financial surplus/deficit



[1] Corresponds to the increase in book values of stocks and work in progress which is equal to the value of physical increase plus stock appreciation

Industrial and commercial companies net borrowing requirement



UK banks' lending[1] to UK residents

	£ million, seasonally adjusted[2]					
	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1979	925	1 540	−615	9 475	8 573	902
1980	1 652	2 374	−722	10 900	9 622	1 278
1981	− 538	252	−790	11 638	8 846	2 792
1982	−2 325	−2 273	− 52	14 583	12 842	1 741
1983	−1 916	−2 031	115	14 897	13 484	1 413
1978 *2*	−1 684	−1 445	−239	1 886	1 505	381
3	266	326	− 60	1 339	1 022	317
4	936	820	116	1 687	1 537	150
1979 *1*	− 939	− 777	−162	2 601	2 315	286
2	607	778	−171	2 599	2 211	388
3	461	612	−151	1 955	1 909	46
4	472	603	−131	2 320	2 138	182
1980 *1*	− 367	− 185	−182	2 830	2 418	412
2	871	849	22	3 494	2 662	832
3	− 3	407	−404	3 250	3 068	182
4	1 145	1 303	−158	1 326	1 474	−148
1981 *1*	1 218	1 133	85	267	−323	590
2	− 613	148	−761	3 539	3 605	− 66
3	311	529	−218	3 809	2 556	1 253
4	−1 187	−1 291	104	3 756	2 741	1 015
1982 *1*	863	851	12	2 386	1 820	566
2	−1 039	−1 035	− 4	4 806	4 471	335
3	− 49	− 60	11	3 281	2 985	296
4	−2 005	−1 934	− 71	4 377	3 833	544
1983 *1*	784	784	—	3 365	3 670	−305
2	−1 923	−1 903	− 20	5 054	4 549	505
3	− 703	− 653	− 50	3 164	1 077	1 287
4	− 51	− 236	185	3 314	3 388	− 74
1984 *1*	894	930	− 36	3 083	2 063	1 020
2	−2 204	−2 247	43	6 227	5 425	802
3	1 588	1 463	125	2 516	1 471	1 045

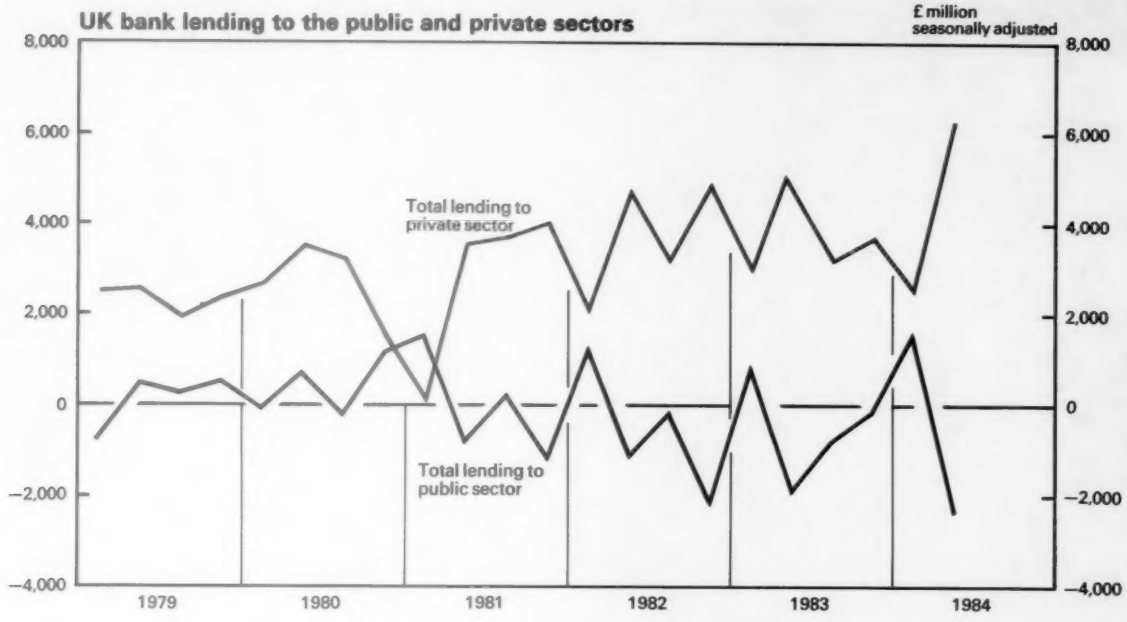
[1] UK banking sector: changes in assets. From the second quarter 1975 transactions have been entered as far as possible on a cash receipts/payments basis.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.

UK banks' loans, advances and acceptances to UK residents[1, 2]

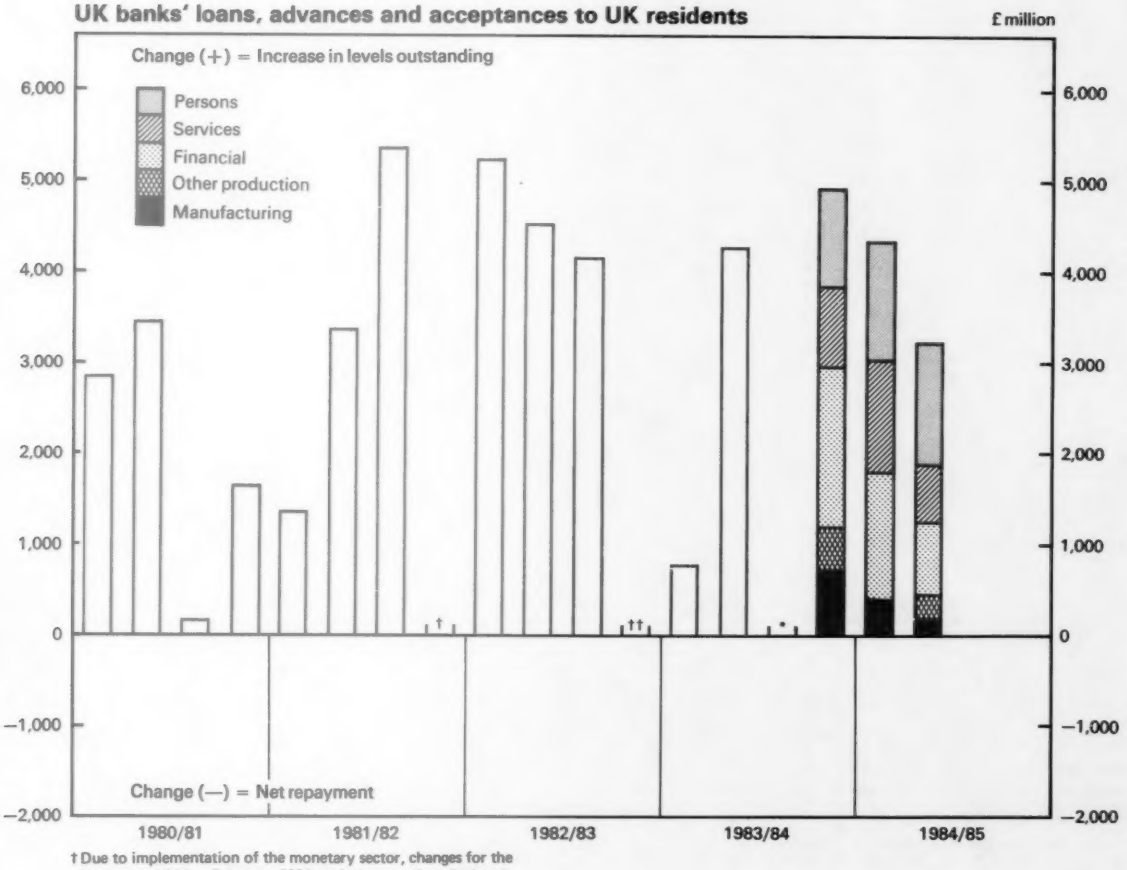
		£ million					
		Total loans, advances and acceptances	Manufacturing	Other production	Financial	Services	Persons
Amounts outstanding (Aug 1984):		138 294	24 074	15 111	27 073	39 338	32 699
Changes							
1983	August–November[2]	..	..	..	..	..	..
1983/84	November–February	4 940	729	471	1 780	886	1 072
1984	February–May	4 348	382	13	1 408	1 242	1 301
	May–August	3 213	178	265	814	641	1 318

[1] For a more detailed breakdown of these figures see *Financial Statistics* Table 6.6. The analysis covers loans, advances and acceptances in both sterling and foreign currencies provided by banks to their customers and therefore does not include funds placed through the specialised financial markets such as the local authority money market or the finance company deposit market. Acceptances are not granted to persons.
[2] Due to the introduction of the revised analysis in November 1983, a breakdown is given only for this and later dates, and any changes for the August–November 1983 period are not shown.

UK bank lending to the public and private sectors



UK banks' loans, advances and acceptances to UK residents



† Due to implementation of the monetary sector, changes for the November 1981 – February 1982 period cannot be calculated.

* See footnote[2] page 64 lower table.

†† Changes cannot be calculated for this period due to definition changes.

Interest rates, security prices and yields

Percentage rate

	Last Friday							Last working day		Average of working days		
				London clearing banks							*Financial Times* index of industrial ordinary shares 1 July 1935 = 100	
	Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	Base rate	Deposit account: 7 days' notice[4]	Inter-bank (3-month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities: long dated[7] (20 years)	Price index	Dividend yield	Earnings yield
1975	11½	10.93	11½ -11⅝	11	7	11 1/16-11 3/16	11-11⅛	5⅞	7.00	14.39	311.0	6.81	19.49
1976	14½	13.98	14½ -15	14	11	14⅛ -14⅜	14 1/16-14⅛	5 1/16	7.80	14.43	368.0	5.96	17.61
1977	7	6.39	6⅜	6½ - 7½	3½ - 4½	6 3/16- 6⅜	6⅜ - 6 7/16	7 1/16	6.00	12.73	452.3	5.42	16.50
1978	12½	11.91	12⅛ -12½	12½	10	12 7/16-12⅜	12⅜ -12½	11 11/16	8.00	12.47	479.4	5.65	16.47
1979	17	16.49	16 13/16-17½	17	15	16 13/16-17 1/16	16 11/16-16⅞	14½	10.50	12.99	475.5	6.49	16.61
1980	14	13.58	14⅛ -14½	14	11½ -12	14⅛ -14⅛	14⅛ -14⅛	17½	10.50	13.79	464.5	7.62	18.14
1981	..	15.39	15½ -15 11/16	14½	12¼ -12½	15 3/16-15⅜	15⅛ -15⅛	13¾	9.75	14.75	518.5	6.23	12.12
1982	..	9.96	10⅜	10-10¼	6¾ - 7	10 1/16-10⅛	10 1/16-10 1/16	9½	6.25	12.88	574.7	5.29	10.82
1983	..	9.04	9 1/16	9	5½	9 1/16- 9 1/16	9¼ - 9 1/16	9⅞	7.25	10.81	692.6	4.70	9.58
1981 *M*	12	11.78	12½ -12⅝	12	9	12 1/16-12 3/16	12½ -12⅝	17⅜	8.50	14.31	557.8	5.91	11.59
J	12	12.24	12 1/16-12⅜	12	9	12 1/16-12⅜	12⅜ -12½	17 11/16	8.50	14.57	545.0	5.92	11.73
J	12	14.29	14⅜ -14⅝	12	9	14⅜ -14⅝	14½ -14 3/16	18⅜	8.50	15.14	528.2	6.01	11.70
A	..	13.64	14 1/16-14¼	12	9	14 -14 3/16	13 13/16-13 15/16	18 11/16	8.50	15.09	554.4	5.51	9.83
S	..	15.72	15⅜ -15⅝	14	11-11½	15 3/16-16⅛	15⅜ -15 7/16	17⅞	8.50	15.59	525.0	5.76	9.99
O	..	16.30	16⅛ -16⅜	15½	13½ -14	16 3/16-16⅜	16⅛ -16⅜	15 11/16	8.50	15.95	474.4	6.27	10.85
N	..	14.25	14 11/16-15	15	13	14 11/16-14 13/16	14 11/16-14 13/16	12	9.75	15.44	511.1	5.86	9.92
D	..	15.39	15½ -15 11/16	14½	12¼ -12½	15 3/16-15⅜	15⅜ -15⅜	13⅜	9.75	15.65	522.8	5.76	10.06
1982 *J*	..	13.98	14½	14	11½ -12	14 7/16-14⅝	14 3/16-14 5/16	14⅝	9.75	15.58	543.4	5.57	9.83
F	..	13.74	13 13/16-14	13½	11	14 -14⅛	13¾ -14	15	9.75	14.74	565.6	5.43	9.62
M	..	12.92	13⅛ -13 11/16	13	10 -10½	13 5/16-13 7/16	13 1/16-13⅛	15 11/16	9.75	13.72	560.4	5.63	10.57
A	..	13.41	13⅜ -13½	13	10 -10½	13⅜ -13⅝	13⅜ -13 11/16	14½	8.75	13.96	563.6	5.57	11.22
M	..	13.08	13 3/16-13⅜	13	10 -10½	13 3/16-13½	13½ -13⅜	14 7/16	8.75	13.69	578.8	5.41	11.25
J	..	12.66	13⅛	12½	9½	13 1/16-13 3/16	13 -13 1/16	15 11/16	8.75	13.56	570.0	5.49	11.45
J	..	11.40	11⅞	12	9	11 11/16-12	11 11/16-11⅞	13	8.75	13.20	559.7	5.47	11.51
A	..	10.17	10⅜	11	8	10 11/16-10⅞	10 3/16-10 11/16	11 3/16	8.75	12.23	561.1	5.28	11.58
S	..	10.12	10⅛	10½	7½ - 7¾	10 11/16-10 13/16	10⅜ -10⅝	11½	7.75	11.40	580.6	5.02	11.02
O	..	9.03	10⅜	9½	6	9 3/16-9 11/16	9⅜ - 9½	10 13/16	7.75	10.50	602.0	4.76	10.54
N	..	10.26	9⅞	9	5½	9 11/16-10⅛	9⅜ - 9⅝	9⅞	7.75	10.64	618.7	4.87	10.44
D	..	9.96	10⅜	10-10½	6¾ - 7	10 7/16-10⅜	10 1/16-10 1/16	9½	6.25	11.34	592.8	5.03	10.81
1983 *J*	..	11.24	11⅛	11	8	11⅛ -11⅜	11⅜ -11⅛	9 7/16	6.25	11.60	608.4	4.88	10.50
F	..	11.15	11 7/16	11	8	11 1/16-11⅛	11 1/16-11 1/16	9 1/16	6.25	11.50	646.5	4.82	10.34
M	..	10.23	10⅜	10½	7½	10 11/16-10⅞	10⅜ -10⅜	9 11/16	6.25	11.02	659.5	4.87	10.25
A	..	9.92	10 3/16	10	6¾	10 3/16-10 5/16	10 -10⅛	8 11/16	6.25	10.56	685.6	4.60	9.36
M	..	9.93	10⅛	10	6¾	10⅛ -10 11/16	10⅛ -10⅛	9 1/16	6.25	10.65	690.2	4.58	9.04
J	..	9.51	9 11/16	9½	6	9⅜ - 9⅝	9⅜ - 9⅜	9 11/16	6.25	10.39	716.6	4.47	8.88
J	..	9.62	9⅝	9½	6	9⅝ -10	9 11/16- 9⅝	10 1/16	7.25	10.95	697.9	4.60	9.12
A	..	9.56	9 11/16	9½	6	9 11/16- 9 13/16	9 11/16- 9 13/16	10⅛	7.25	11.07	724.4	4.62	9.27
S	..	9.17	9 11/16	9½	6	9 1/16- 9 1/16	9 1/16- 9 1/16	9 1/16	7.25	10.67	704.3	4.81	9.59
O	..	9.03	9 1/16	9	5½	9 1/16- 9⅜	9 11/16- 9½	—	7.25	10.61	693.5	4.87	9.67
N	..	9.06	9⅛	9	5½	9 1/16- 9 11/32	9 1/16- 9⅛	9 11/16	7.25	10.29	724.8	4.69	9.50
D	..	9.04	9 1/16	9	5½	9 11/32- 9 13/32	9⅛ - 9 1/16	9⅝	7.25	10.35	759.5	4.62	9.47
1984 *J*	..	9.06	9⅜	9	5½	9 7/16- 9½	9 1/16- 9⅜	9 11/16	7.25	10.28	810.6	4.41	9.16
F	..	9.05	9 1/16	9	5½	9 1/16- 9⅜	9 3/16- 9 11/32	10⅛	7.25	10.42	814.6	4.50	9.48
M	..	8.56	8 11/16	8½ - 8¾	5½ - 5½	8 11/16- 9	8 23/32- 8 25/32	10⅜	6.25	10.23	866.4	4.34	9.43
A	..	8.54	8⅝	8½ - 8¾	5½ - 5½	8 27/32- 8 29/32	8 13/16- 8⅞	10 11/32	6.25	10.40	881.1	4.36	9.33
M	..	9.19	9⅜	9 - 9¼	5½ - 6	9 11/16- 9⅞	9 11/16- 9 13/16	11 13/32	6.25	10.93	870.6	4.49	10.44
J	..	9.06	9⅛	9.25	5½ - 6	9⅛ - 9⅜	9 1/16- 9 1/16	12 1/32	6.25	11.15	824.5	4.79	11.13
J	..	11.69	12⅛	12.00	8¾ - 9	12 1/16-12 3/16	11⅞ -12	11⅞	6.25	11.67	787.6	5.08	11.80
A	..	10.18	10⅜	10½	7½ - 7½	10 11/16-10 13/16	10⅛ -10⅜	11 13/16	7.75	10.98	835.8	4.93	11.57
S	..	10.24	10⅜	10½	7½ - 7½	10⅜ -10 13/16	10 13/16-10 15/16	11 7/16	7.75	10.78	859.3	4.84	11.51
O	..	10.13	10½	10½	7½ - 7½	10½ -10 3/16	10⅛ -10⅜	10 13/16	7.75	10.69	865.2	4.89	11.66
N	..	9.27	9⅜	9½ - 9¾	6 - 6½	9⅜ - 9 11/16	9 3/16- 9 11/16	9 3/16	7.75	10.32	913.2	4.67	11.23

[1] Previously known as Bank Rate. From 20 August 1981 the Bank has suspended the announcement of Minimum Lending Rate.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

[3] For a minimum term of 3 months and thereafter at 7 days' notice.

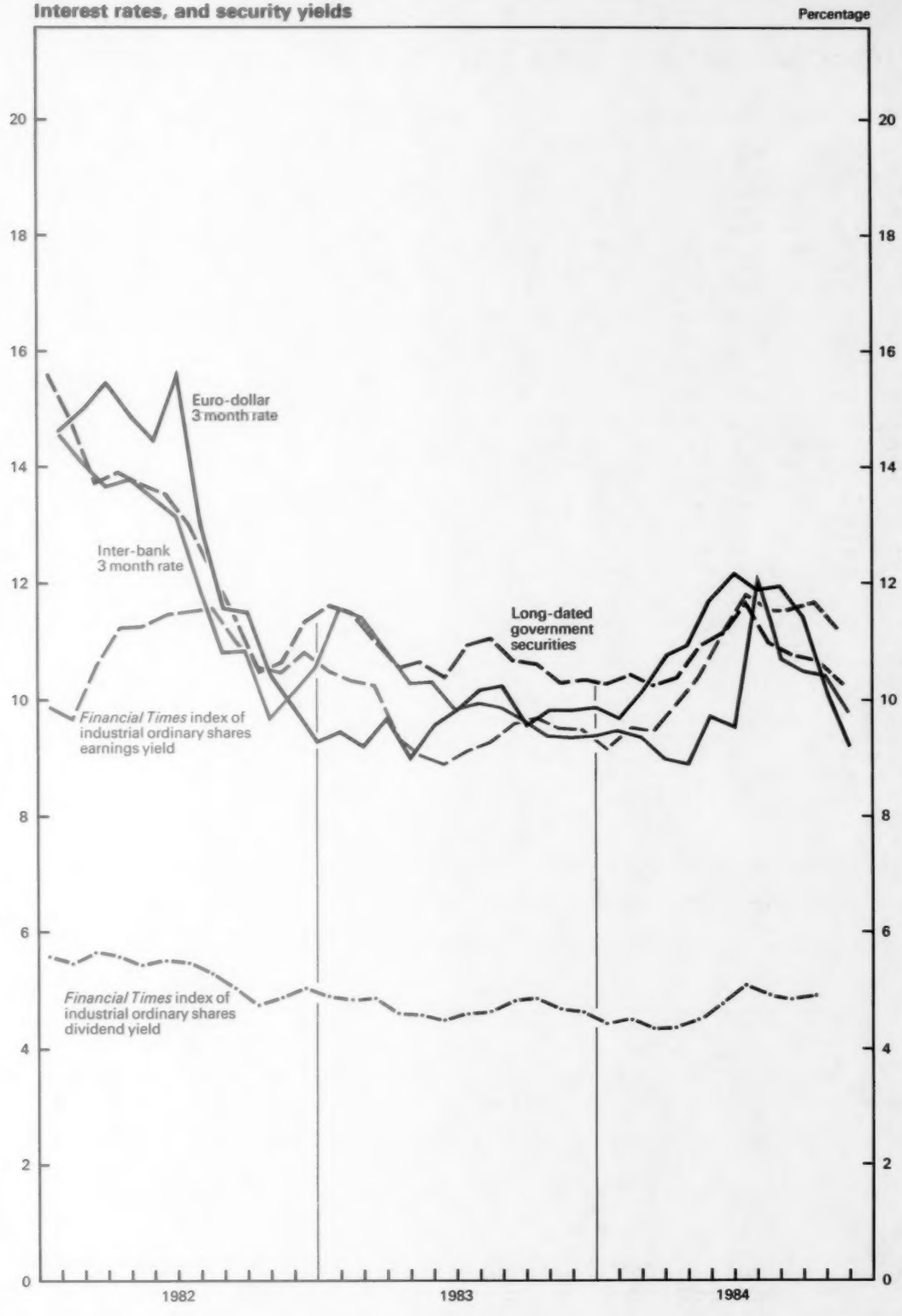
[4] Rate paid on deposits of less than £10,000, which was restricted to ½ per cent from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 a.m.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

Interest rates, and security yields



Cyclical indicators for the UK economy

Recent movements of the indicators

The longer leading index, which had fallen between March and July, rose again in November, reflecting an increase in share prices. The movement this year in the index, which is now only a little below the March peak, has probably been influenced by the effects of industrial disputes. Thus, interpretation remains difficult, with the evidence of a turning point in March perhaps a little weaker than hitherto.

For the shorter leading index, most of the components, especially new consumer credit, have been moving below trend in recent months. This has led to a general decline in the index, though this movement may have moderated in the latest period.

The coincident index was little changed during the middle of the year, with some components depressed by the effect of the coal strike. Hoever, some upward movement has been evident in recent months, reflecting significant contributions from the index of production and r l sales.

The lagging index has continued to rise with above-trend movements from all components in recent months.

The recovery apparent in the longer leading index, together with some inconsistency in the timing of the falls as between this index and the shorter leader, make prediction of the timing of the next cyclical peak uncertain. Subject to this qualification, the best assessment at the moment continues to point to a peak some time in early 1985. (This would not necessarily imply a subsequent fall in the level of activity, but rather a reduction in the underlying rate of growth).

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Information included in the table below is based on monthly and quarterly data available to 13 December.

Recent movements of the indicators

Jan 1980 = 100

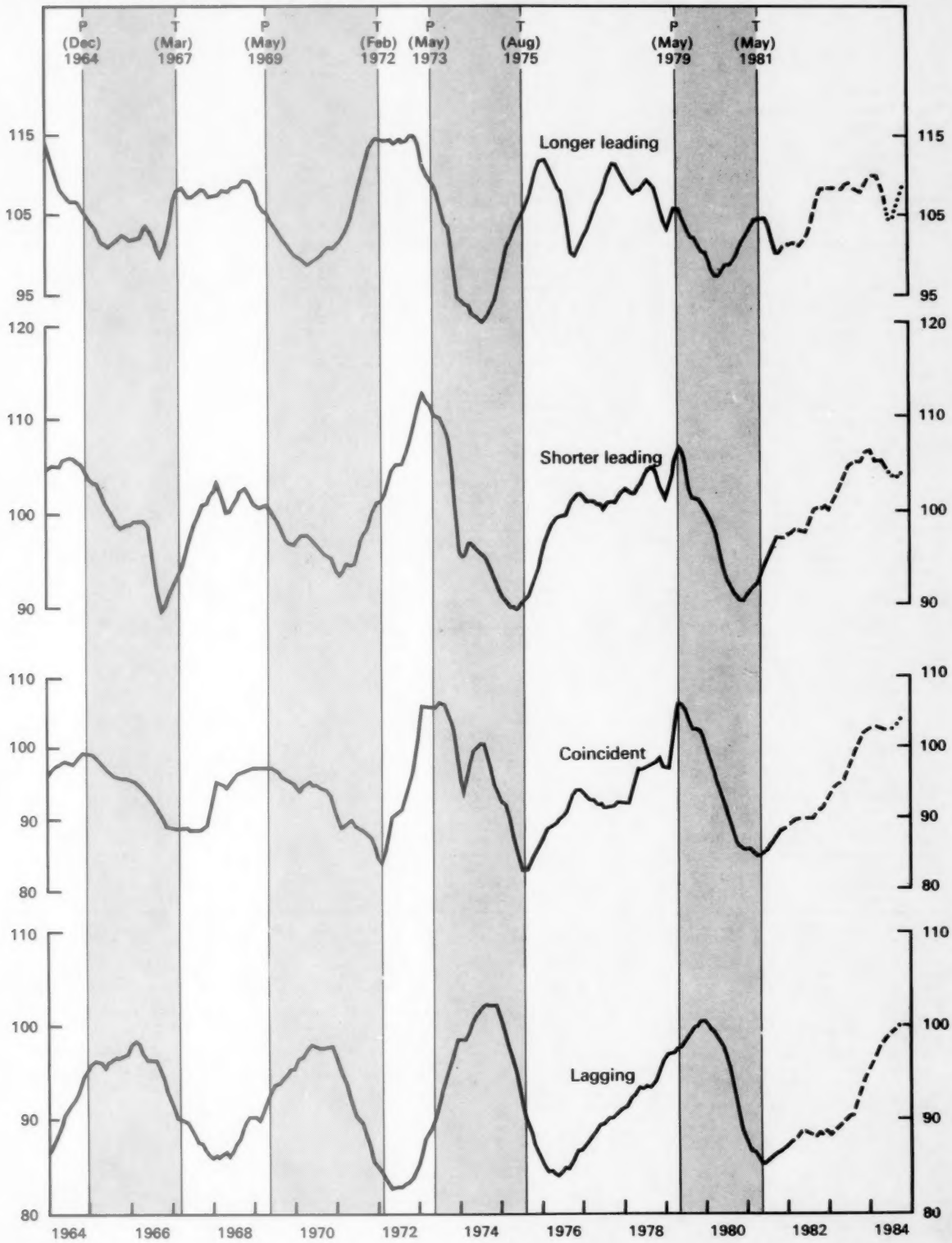
	Most recent values January 1980 = 100													Lead (−) or lag (+) in months relative to reference cycle dates		
	1983			1984												
	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Mean	Earliest	Latest
Longer leading	108.2	109.1	109.9	110.1	110.1	109.6	108.2	106.4	104.4	104.8	106.2	107.2	108.7	−12	−21	− 5
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*4*	*4*	*2*			
Shorter leading	105.7	106.3	106.5	105.9	105.4	105.4	105.0	104.7	104.0	103.6	103.5	103.9		− 5	−12	−
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*4*	*4*				
Coincident ..	101.9	102.3	102.6	102.8	102.6	102.4	102.2	102.2	102.3	102.6	103.1	103.9		−	− 7	+ 5
	7	*7*	*7*	*7*	*7*	*7*	*7*	*7*	*5*	*5*	*5*	*4*				
Lagging	93.9	94.7	95.4	96.0	96.7	97.6	98.4	98.9	99.3	99.6	100.1			+10	+ 1	+17
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*					

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further ten pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO.01-233 7661.

Cyclical indicators

Composite indices of indicator groups. January 1980 = 100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I/C}$	MCD or QCD	$\overline{I/C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1980 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1970 to 2nd quarter 1983	1.5	1.0	0.9	1.1	2	0.4
Income based	6	1st quarter 1970 to 2nd quarter 1983	1.2	0.8	0.9	0.9	1	0.9
Output based	6,28	1st quarter 1970 to 2nd quarter 1983	1.0	0.6	0.7	0.8	1	0.8
Average estimate	6	1st quarter 1970 to 2nd quarter 1983	1.1	0.7	0.8	0.9	1	0.9
Consumers' expenditure	8,10	1st quarter 1970 to 2nd quarter 1983	1.1	0.7	0.9	0.8	1	0.8
Fixed capital formation								
Total	8,16	1st quarter 1970 to 2nd quarter 1983	2.4	1.8	1.2	1.5	2	0.5
Manufacturing industry	18	1st quarter 1970 to 2nd quarter 1983	3.4	2.0	2.6	0.8	1	0.8
Stockbuilding[2]								
Total	8,22	1st quarter 1970 to 2nd quarter 1983	443.5	301.8	267.6	1.1	2	0.5
Manufacturing	22	1st quarter 1970 to 2nd quarter 1983	281.4	188.6	186.5	1.0	2	0.5
Exports: goods and services	8	1st quarter 1970 to 2nd quarter 1983	3.1	2.5	1.7	1.5	2	0.7
Imports: goods and services	8	1st quarter 1970 to 2nd quarter 1983	3.3	2.3	2.1	1.1	2	0.5
Personal disposable income	10	1st quarter 1970 to 2nd quarter 1983	1.7	1.1	1.2	0.9	1	0.9
Other national income series								
Gross trading profits of companies	60	1st quarter 1970 to 2nd quarter 1983	6.2	3.0	4.8	0.6	1	0.6
Other quarterly series								
Construction output[8]	30	1st quarter 1970 to 2nd quarter 1983	2.1	1.4	1.4	1.0	1	1.0
Public sector borrowing requirement[6]	56	1st quarter 1970 to 2nd quarter 1983	675.1	465.1	341.2	1.4	2	0.7
Personal saving ratio	10	1st quarter 1970 to 2nd quarter 1984	8.8	6.4	4.7	1.4	2	0.5
Monthly series								
Retail sales								
Food retailers	12	January 1971 to December 1983	1.0	0.9	0.3	3.2	4	0.8
Mixed retail businesses	12	January 1971 to December 1983	2.1	1.9	0.5	3.7	4	0.9
Clothing and footwear retailers	12	January 1971 to December 1983	2.3	2.2	0.5	4.2	4	1.0
Household goods retailers	12	January 1971 to December 1983	2.0	1.9	0.8	2.4	3	0.9
Other non-food retailers	12	January 1971 to December 1983	1.5	1.4	0.4	3.3	4	0.9
Cars: new registrations	12	January 1975 to December 1983	9.2	9.1	1.0	9.7	6	
Housing: public authorities[4]								
Starts	20	January 1956 to December 1982	12.7	11.0	2.0	5.5	6	
Completions	20	January 1956 to December 1982	8.5	6.8	1.4	5.0	6	1.0
Housing: private								
Starts	20	January 1956 to December 1982	9.8	8.0	1.9	4.2	6	1.0
Completions	20	January 1956 to December 1982	6.4	5.5	0.5	11.0	6	
Index of industrial production:								
Production industries (Revised definition)	5,26,28	January 1973 to April 1984	1.2	1.1	0.5	2.2	3	1.0
Manufacturing industries (Revised definition)	26,28	January 1973 to April 1984	1.4	1.3	0.5	2.8	4	0.8
Passenger car production:								
Home market	32	January 1976 to December 1983	12.0	11.7	1.9	6.3	6	
Export	32	January 1976 to December 1983	14.7	14.1	2.7	5.2	6	1.0
Commercial vehicle production:								
Home market	32	January 1976 to December 1983	11.1	9.6	3.1	3.1	4	0.9
Export	32	January 1976 to December 1983	10.0	9.3	2.6	3.6	5	0.8
Unemployed males – excluding school-leavers[5]	(5,36)	January 1971 to March 1984	17.7	3.6	17.2	0.2	1	0.2
Unemployed females – excluding school-leavers[5]	(5,36)	January 1971 to March 1984	6.1	1.5	5.9	0.3	1	0.3
Vacancies notified to employment offices[5]	(5,36)	January 1971 to January 1984	6.4	2.4	5.8	0.4	1	0.4
Average earnings: whole economy	40	January 1976 to December 1982	1.0	0.3	1.0	0.3	1	0.3
Exports: value, f.o.b.[7]	48	January 1970 to September 1983	4.8	4.5	1.5	3.0	4	0.8
Imports: value, f.o.b.[7]	48	January 1970 to September 1983	4.9	4.4	1.8	2.5	3	0.8
Money stock (£M3)[3]	5,52	July 1971 to December 1977	1.3	0.6	1.2	0.5	1	0.5

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes[2,3,5] and[6].

$\overline{I/C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I/C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] Series relate to Great Britain and may be found in Tables 2.2 and 3.1 of *Employment Gazette*. The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

[7] The figures have been updated as described in an article in *Economic Trends*, No. 320, June 1980.

[8] Series relates to Great Britain.

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United Kingdom balance of payments: preliminary figures for the third quarter of 1984

Preliminary figures indicate that the UK current account was in deficit by some £550 million (seasonally adjusted) in the third quarter of 1984 (Table 1).

Visible trade was in deficit by £1650 million but there was a surplus on invisible transactions estimated at £1100 million (Table 1).

Figures for invisible transactions for the most recent quarters are liable to substantial revision as later information becomes available. The preliminary estimates for the third quarter, however, put the net credit on services at £1300 million (Table 5) and the net earnings on interest, profits and dividends at about £550 million (Table 6). There were net transfer payments overseas of nearly £750 million (Table 7).

The third quarter current account deficit of £550 million follows a somewhat smaller deficit in the second quarter, a surplus in the first quarter, and an overall surplus of over £2 billion in 1983. This movement mainly reflects an increased deficit on visible trade and in particular a large rise in the volume of non-oil imports (Tables 2 and 3).

Although figures for investment and other capital transactions are not yet complete (they exclude non-bank private sector transactions with banks overseas), they show a turnround from an outflow of £1.4 billion in the second quarter to an inflow of £1.0 billion in the third (Table 8).

Non-oil companies' direct investment in the UK in the third quarter included two major transactions; the acquisition of Bibby by Barlow Rand (£0.3 billion) and the acquisition of Grindlays Bank by the Australia and New Zealand Banking Group (£0.2 billion) (Table 9).

The investment transactions of oil companies both into and out of the United Kingdom, which in the second quarter were affected by the Shell Group buy-out of minority shareholdings in its US affiliate Shell Oil, were in the third quarter, more in line with those in previous quarters (Tables 9 and 10).

UK outward portfolio investment, which was unusually low in the second quarter, also returned to a more usual level in the third. The impetus came almost entirely from the banks whose lending via the take-up of floating rate notes and other bonds more than doubled; other investors seem to have continued to disinvest but these estimates are based on provisional information (Table 10).

Revisions

The visible trade figures incorporate, from 1980, upward revisions to imports which reflect a reassessment of the adjustment needed to bring their valuation on to a balance of payments basis.

The above is the text of the press notice issued by the Central Statistical Office on 6 December, with the preliminary balance of payments figures for the third quarter of 1984.

The detailed commentary on the figures and the associated text tables and charts, which have hitherto been included in *Economic Trends,* have been discontinued. Tables 1 to 19, however, continue to provide the analyses published previously and in the case of tables 7 and 8 include extra detail previously shown only in the text tables. Table 10 has also been expanded to identify UK portfolio investment overseas by banks and by other financial institutions. Charts similar to those previously included with the commentary can be found on pages 45, 49 and 51 of *Economic Trends.*

Detailed explanations of balance of payments concepts, the composition of the figures and the methods by which they are produced are included in the *United Kingdom Balance of Payments 1984 Edition*, The CSO Pink Book.

Central Statistical Office

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CSO Databank

The tables include at the top of each column of figures the appropriate CSO Databank identifier consisting of a code of four letters. This is to facilitate access to the data in computer readable form and make available longer runs of data than appear in the tables, in many cases starting in 1963.

The CSO Databank is a collection of macro-economic time-series on sale to the public. The service is run on CSO's behalf by SIA Computer Services. SIA sell the data directly to end users on magnetic tape, by on-line file transfer, on microfiche and on computer printout, and they and other bureaux offer on-line access. Further details can be obtained from SIA Computer Services, Ebury Gate, 23 Lower Belgrave Street, London SW1W 0NW, Tel: 01–730–4544.

BALANCE OF PAYMENTS SUMMARY

TABLE 1

£ million

		Seasonally adjusted						Not seasonally adjusted					
			Invisibles (balance)										
		Visible trade (balance)	Services	I.P.D.	Transfers	Total	Current balance	Current balance	Capital transfers	Investment and other capital transactions	Allocation of SDRs and gold subscription to IMF	Official financing	Balancing item
		AIMA	AIMC	AIMD	AIME	AIMB	AIMF	AIMG	CGPS	HHAD	AIMI	AIOO	AASA
1973		-2 586	786	1 257	-436	1 607	-979	-979	-59	178	-	771	89
1974		-5 351	1 075	1 415	-417	2 073	-3 278	-3 278	-75	1 602	-	1 646	105
1975		-3 333	1 515	763	-468	1 810	-1 523	-1 523	-	154	-	1 465	-96
1976		-3 929	2 503	1 355	-775	3 083	-846	-846	-	-2 977	-	3 629	194
1977		-2 284	3 356	97	-1 116	2 337	53	53	-	4 169	-	-7 361	3 139
1978		-1 542	3 858	623	-1 777	2 704	1 162	1 162	-	-4 264	-	1 126	1 976
1979		-3 449	4 155	1 034	-2 266	2 924	-525	-525	-	1 834	195	-1 905	401
1980		1 361	4 356	-161	-2 079	2 116	3 477	3 477	-	-1 450	180	-1 372	-835
1981		3 360	4 458	1 057	-1 945	3 570	6 930	6 930	-	-7 420	158	687	-355
1982		2 055	3 706	1 169	-2 049	2 826	4 881	4 881	-	-3 285	-	1 284	-2 880
1983		-1 105	3 932	1 680	-2 213	3 399	2 294	2 294	-	-3 429	-	816	319
1976	1	-524	578	290	-194	674	150	-115	-	-543	-	678	-20
	2	-1 048	560	349	-167	742	-306	-344	-	-1 734	-	1 955	123
	3	-1 227	668	366	-188	846	-381	-153	-	-660	-	866	-53
	4	-1 130	697	350	-226	821	-309	-234	-	-40	-	130	144
1977	1	-933	763	120	-245	638	-295	-622	-	1 620	-	-1 913	915
	2	-917	838	-14	-279	545	-372	-458	-	14	-	-908	1 352
	3	-166	863	-18	-321	524	358	700	-	1 256	-	-2 608	652
	4	-268	892	9	-271	630	362	433	-	1 279	-	-1 932	220
1978	1	-562	936	64	-531	469	-93	-405	-	-153	-	-173	731
	2	-159	851	231	-388	694	535	339	-	-2 203	-	1 494	370
	3	-557	1 028	174	-462	740	183	602	-	-455	-	-210	63
	4	-264	1 043	154	-396	801	537	626	-	-1 453	-	15	812
1979	1	-1 433	1 044	393	-519	918	-515	-879	-	460	195	-879	1 103
	2	-479	958	89	-493	554	75	-129	-	737	-	-758	150
	3	-723	1 069	408	-607	870	147	573	-	123	-	-297	-399
	4	-814	1 084	144	-646	582	-232	-90	-	514	-	29	-453
1980	1	-446	1 120	-81	-508	531	85	-261	-	-499	180	-689	1 269
	2	-287	1 071	-154	-599	318	31	-164	-	372	-	-246	38
	3	853	1 032	-23	-590	419	1 272	1 512	-	193	-	-279	-1 426
	4	1 241	1 133	97	-382	848	2 089	2 390	-	-1 516	-	-158	-716
1981	1	1 751	1 174	205	-152	1 227	2 978	2 667	-	-3 892	158	-319	1 386
	2	1 264	1 101	351	-668	784	2 048	1 732	-	-2 002	-	165	105
	3	12	1 058	242	-762	538	550	711	-	-1 234	-	709	-186
	4	333	1 125	259	-363	1 021	1 354	1 820	-	-292	-	132	-1 660
1982	1	390	1 036	-93	50	993	1 383	1 058	-	6	-	31	-1 095
	2	125	974	344	-825	493	618	219	-	235	-	661	-1 115
	3	509	789	351	-708	432	941	1 045	-	-1 274	-	-247	476
	4	1 031	907	567	-566	908	1 939	2 559	-	-2 252	-	839	-1 146
1983	1	78	1 028	464	-126	1 366	1 444	1 183	-	-1 658	-	616	-141
	2	-593	1 076	73	-807	342	-251	-673	-	1 087	-	-132	-282
	3	-369	994	646	-520	1 120	751	813	-	1 137	-	5	-1 955
	4	-221	834	497	-760	571	350	971	-	-3 995	-	327	2 697
1984	1	-154	1 031	91	-544	578	424	221	-	-546	-	190	135
	2	-1 297	1 070	641	-793	918	-379	-762	-	-1 430	-	668	1 524
	3	-1 652	1 319	528	-737	1 110	-542	-287	-	1 009	-	345	-1 067

VISIBLE TRADE IN THE BALANCE OF PAYMENTS

TABLE 2

£ million

		Not seasonally adjusted		Seasonally adjusted									
		Total goods		Total goods			Of which: Oil			Non-oil			
		Exports (f.o.b.)	Imports (f.o.b.)	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance
		CGJP	CGGL	CGKG	CGHK	AIMA	CGQE	CGQG	CGQI	CGQF	CGQH	CGQJ
1973		11 937	14 523	11 937	14 523	-2 586	344	1 285	-941	11 593	13 238	-1 645
1974		16 394	21 745	16 394	21 745	-5 351	710	4 067	-3 357	15 684	17 678	-1 994
1975		19 330	22 663	19 330	22 663	-3 333	734	3 791	-3 057	18 596	18 872	-276
1976		25 191	29 120	25 191	29 120	-3 929	1 172	5 119	-3 947	24 019	24 001	18
1977		31 728	34 012	31 728	34 012	-2 284	1 979	4 750	-2 771	29 749	29 262	487
1978		35 063	36 605	35 063	36 605	-1 542	2 235	4 219	-1 984	32 828	32 386	442
1979		40 687	44 136	40 687	44 136	-3 449	4 158	4 889	-731	36 529	39 247	-2 718
1980		47 422	46 061	47 422	46 061	1 361	6 133	5 818	315	41 289	40 244	1 045
1981		50 977	47 617	50 977	47 617	3 360	9 107	5 996	3 111	41 870	41 622	248
1982		55 565	53 510	55 565	53 510	2 055	10 686	6 130	4 556	44 879	47 381	-2 502
1983		60 625	61 730	60 625	61 730	-1 105	12 525	5 650	6 875	48 100	56 080	-7 980
1976	1	5 665	6 323	5 599	6 123	-524	228	1 148	-920	5 371	4 975	396
	2	6 252	7 292	6 164	7 212	-1 048	265	1 250	-985	5 899	5 962	-63
	3	6 153	7 336	6 400	7 627	-1 227	304	1 362	-1 058	6 096	6 285	-189
	4	7 121	8 169	7 028	8 158	-1 130	375	1 359	-984	6 653	6 799	-146
1977	1	7 484	8 572	7 437	8 370	-933	471	1 240	-769	6 966	7 130	-164
	2	7 998	8 905	7 914	8 831	-917	515	1 289	-774	7 399	7 542	-143
	3	8 131	8 268	8 354	8 520	-166	564	1 153	-589	7 790	7 367	423
	4	8 115	8 267	8 023	8 291	-268	429	1 068	-639	7 594	7 223	371
1978	1	8 198	8 920	8 282	8 844	-562	485	1 096	-611	7 797	7 748	49
	2	9 125	9 315	8 790	8 949	-159	554	966	-412	8 236	7 983	253
	3	8 502	8 978	8 854	9 411	-557	613	1 115	-502	8 241	8 296	-55
	4	9 238	9 392	9 137	9 401	-264	583	1 042	-459	8 554	8 359	195
1979	1	8 444	10 095	8 313	9 746	-1 433	757	964	-207	7 556	8 782	-1 226
	2	10 813	11 370	10 759	11 238	-479	946	1 167	-221	9 813	10 071	-258
	3	10 091	10 680	10 497	11 220	-723	1 162	1 326	-164	9 335	9 894	-559
	4	11 339	11 991	11 118	11 932	-814	1 293	1 432	-139	9 825	10 500	-675
1980	1	12 013	12 679	11 998	12 444	-446	1 425	1 519	-94	10 573	10 926	-353
	2	11 915	12 223	11 916	12 203	-287	1 511	1 545	-34	10 405	10 658	-253
	3	11 430	10 570	11 694	10 841	853	1 558	1 378	180	10 136	9 463	673
	4	12 064	10 589	11 814	10 573	1 241	1 639	1 376	263	10 175	9 197	978
1981	1	11 755	10 277	11 868	10 117	1 751	2 068	1 284	784	9 800	8 834	966
	2	12 295	11 178	12 289	11 025	1 264	2 235	1 323	912	10 054	9 702	352
	3	12 786	12 760	13 157	13 145	12	2 426	1 696	730	10 731	11 449	-718
	4	14 141	13 402	13 663	13 330	333	2 378	1 693	685	11 285	11 637	-352
1982	1	13 342	13 348	13 519	13 129	390	2 375	1 654	721	11 144	11 476	-332
	2	13 802	13 858	13 878	13 753	125	2 435	1 536	899	11 443	12 218	-775
	3	13 473	12 907	13 688	13 179	509	2 846	1 563	1 283	10 842	11 616	-774
	4	14 948	13 397	14 480	13 449	1 031	3 030	1 377	1 653	11 450	12 071	-621
1983	1	14 691	14 993	14 823	14 745	78	3 106	1 336	1 770	11 717	13 408	-1 691
	2	14 731	15 553	14 752	15 345	-593	2 960	1 438	1 522	11 792	13 907	-2 115
	3	14 658	14 961	14 856	15 225	-369	2 980	1 474	1 486	11 896	13 751	-1 855
	4	16 545	16 223	16 194	16 415	-221	3 499	1 402	2 097	12 695	15 014	-2 319
1984	1	16 847	17 384	16 856	17 010	-154	3 654	1 338	2 316	13 202	15 671	-2 469
	2	16 838	18 285	16 902	18 199	-1 297	3 455	1 907	1 548	13 447	16 292	-2 845
	3	16 686	18 107	17 252	18 904	-1 652	3 761	2 035	1 726	13 491	16 869	-3 378

VOLUME AND UNIT VALUE INDICES

TABLE 3

1980=100

		Visible trade										Services			
		Seasonally adjusted				Not seasonally adjusted						Seasonally adjusted			
		Volume indices				Unit value indices						Volume indices		Implied price indices	
		Exports		Imports		Exports		Imports		Terms of trade					
		Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Total goods	non-oil goods	Exports of services	Imports of services	Exports of services	Imports of services
		CGTK	CGSQ	CGTM	CGSR	CGTJ	CGSS	CGTL	CGST	CGTN	CGSU	CGSI	CGSP	CGTA	CGTB
1973		75.6	80.3	91.9	78.0	32.6	34.6	34.8	40.6	93.5	85.3	85.7	89.0	38.9	44.0
1974		81.0	86.8	92.7	80.0	41.5	43.3	50.9	53.4	81.5	81.0	92.3	91.1	45.9	53.9
1975		77.8	83.5	84.7	75.5	50.9	53.2	58.0	60.7	87.6	87.7	93.0	90.3	53.3	61.0
1976		85.4	91.2	89.7	80.7	60.8	63.5	70.9	72.7	85.7	87.4	99.3	88.7	65.1	76.0
1977		92.1	97.0	91.3	85.2	72.0	75.2	82.1	84.5	87.7	89.0	102.5	87.5	73.2	85.0
1978		94.5	98.2	95.5	90.4	79.1	83.1	85.2	89.5	92.7	92.8	102.5	88.1	78.5	87.8
1979		99.1	98.7	105.7	103.0	87.6	90.7	90.9	94.2	96.4	96.3	103.2	96.3	88.9	93.8
1980		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981		99.2	96.3	96.1	98.4	108.8	106.5	108.3	105.4	100.5	101.0	95.0	98.2	113.1	111.4
1982		101.5	96.9	100.7	104.8	116.7	114.4	118.2	114.2	98.7	100.1	92.0	98.7	120.2	121.7
1983		102.3	95.5	107.7	114.1	126.6	124.5	129.4	126.1	97.8	98.8	93.9	98.7	128.7	134.2
		CGTR	CGSV	CGTS	CGSW	CGTO	CGSX	CGTP	CGSY	CGTQ	CGSZ	CGSI	CGSP	CGTA	CGTB
1976	1	82.5	88.5	83.5	74.3	55.9	58.5	64.1	65.6	87.3	89.1	95.1	86.3	60.4	68.4
	2	86.3	92.4	91.6	82.4	58.9	61.5	69.0	70.7	85.3	87.0	96.2	88.3	64.5	74.9
	3	85.0	90.7	92.0	82.7	62.4	65.2	72.7	74.4	85.8	87.6	101.4	89.1	66.4	78.1
	4	87.9	93.4	91.7	83.2	66.1	69.0	78.0	80.1	84.8	86.1	104.4	91.1	68.1	82.6
1977	1	89.8	94.6	91.3	84.5	68.8	71.8	79.9	81.9	86.2	87.7	100.0	85.6	71.5	84.2
	2	92.5	97.3	94.9	88.2	71.4	74.6	82.0	84.2	87.1	88.6	100.8	85.2	73.6	85.8
	3	95.5	100.1	90.6	84.9	73.3	76.5	83.3	85.7	88.0	89.3	104.5	89.3	73.9	85.8
	4	90.5	95.8	88.3	83.1	74.4	77.7	83.2	86.1	89.3	90.3	104.7	90.0	73.9	84.0
1978	1	91.7	96.4	96.6	90.5	77.3	81.1	82.9	87.0	93.2	93.3	103.2	88.0	75.2	84.6
	2	96.0	100.4	92.9	89.5	77.9	81.7	84.8	88.9	91.9	91.8	99.0	88.4	78.9	88.3
	3	94.8	97.1	97.6	92.0	79.8	84.0	85.8	90.1	93.1	93.1	104.4	88.5	78.9	88.0
	4	95.5	98.7	95.1	89.9	81.2	85.7	87.5	92.2	92.8	93.0	103.2	87.5	80.9	90.1
1979	1	85.0	84.5	97.1	93.8	83.9	88.0	88.9	93.5	94.3	94.1	102.1	92.7	84.9	89.7
	2	106.8	107.6	108.9	106.5	86.0	89.7	89.5	93.2	96.1	96.2	103.1	96.6	86.1	92.3
	3	101.7	100.3	108.0	105.1	88.7	91.5	90.2	93.0	98.3	98.4	104.5	97.1	89.1	93.9
	4	102.8	102.4	108.9	106.7	91.9	93.7	95.1	97.2	96.6	96.3	103.0	98.6	95.5	99.2
1980	1	105.4	105.7	110.2	109.9	96.2	97.1	98.2	99.0	97.9	98.0	102.7	100.3	97.9	99.3
	2	100.1	100.5	105.1	105.3	100.2	100.0	100.3	100.1	99.9	99.9	100.2	100.8	99.8	99.9
	3	96.5	96.5	93.7	93.8	101.9	101.5	100.3	100.2	101.7	101.3	99.7	100.0	99.1	100.3
	4	98.0	97.3	90.9	91.1	101.6	101.4	101.2	100.7	100.4	100.7	97.4	98.9	103.3	100.5
1981	1	96.5	92.7	87.2	88.5	104.0	102.9	101.9	100.2	102.1	102.7	94.8	96.5	108.2	104.2
	2	97.8	94.7	92.0	94.5	107.1	104.7	105.4	102.7	101.5	101.9	93.9	98.4	112.4	108.9
	3	100.7	97.7	104.3	106.6	110.7	107.9	110.5	107.0	100.2	100.9	95.8	98.8	114.5	115.9
	4	102.0	100.0	101.2	104.0	113.6	110.4	115.5	111.6	98.3	98.9	95.6	99.1	117.3	116.5
1982	1	100.7	98.2	100.4	103.6	114.7	112.2	115.5	111.4	99.4	100.7	95.0	98.8	116.6	118.1
	2	103.2	99.3	104.1	107.9	114.8	113.2	117.0	113.9	98.1	99.4	93.5	99.8	119.4	120.4
	3	98.9	92.9	98.7	102.4	117.7	115.4	118.6	114.7	99.2	100.7	90.3	99.4	119.8	122.3
	4	103.1	97.2	99.5	105.2	119.6	116.7	121.7	117.0	98.3	99.7	89.1	96.9	125.0	125.9
1983	1	102.3	96.0	104.5	111.2	123.6	121.0	127.1	122.9	97.2	98.5	93.9	96.3	128.2	135.2
	2	100.3	93.9	106.6	112.4	125.6	123.8	128.9	126.0	97.4	98.3	95.1	97.8	126.7	131.7
	3	99.2	93.0	106.6	112.5	127.9	126.2	129.7	126.5	98.6	99.7	95.0	99.6	127.4	132.8
	4	107.3	99.0	112.9	120.3	129.2	127.2	132.2	128.9	97.7	98.6	91.7	101.1	132.4	136.9
1984	1	109.5	101.0	113.3	121.5	132.6	130.5	136.2	133.3	97.3	97.9	95.8	100.3	135.6	142.8
	2	108.3	101.2	118.3	123.7	134.9	132.9	139.3	136.8	96.9	97.2	96.3	100.2	137.0	144.3
	3	107.4	99.4	119.5	125.4	138.5	136.1	143.0	140.0	96.8	97.2	98.2	98.1	140.0	146.4

INVISIBLES: SUMMARY

TABLE 4

£ million

	Seasonally adjusted											Not seasonally adjusted		
	Invisible credits				Invisible debits				Invisible balance			Total invisibles		
										of which:				
	Services	IPD	Trans-fers	Total	Services	IPD	Trans-fers	Total	Total	Private sector and PC: services and IPD	Gen. govt. trans-actions and private trans-fers	Credits	Debits	Balance
	CGKS	CGKL	CGKT	CGKR	CGHU	CGHJ	CGHV	CGHT	AIMB	CGIV	CGIS	CGJY	CGGY	CGIK
1973	5 296	2 823	387	8 506	4 510	1 586	823	6 899	1 607	2 651	-1 044	8 506	6 899	1 607
1974	6 728	3 286	489	10 503	5 653	1 871	906	8 430	2 073	3 361	-1 288	10 503	8 430	2 073
1975	7 857	2 831	759	11 447	6 342	2 068	1 227	9 637	1 810	3 362	-1 552	11 447	9 637	1 810
1976	10 278	3 961	790	15 029	7 775	2 606	1 565	11 946	3 083	5 158	-2 075	15 029	11 946	3 083
1977	11 921	4 013	912	16 846	8 565	3 916	2 028	14 509	2 337	4 873	-2 536	16 846	14 509	2 337
1978	12 764	5 157	1 213	19 134	8 906	4 534	2 990	16 430	2 704	5 807	-3 103	19 134	16 430	2 704
1979	14 561	7 949	1 351	23 861	10 406	6 915	3 616	20 937	2 924	6 535	-3 611	23 861	20 937	2 924
1980	15 876	8 280	1 778	25 934	11 520	8 441	3 857	23 818	2 116	5 497	-3 381	25 934	23 818	2 116
1981	17 065	9 979	2 601	29 645	12 607	8 922	4 546	26 075	3 570	6 741	-3 171	29 645	26 075	3 570
1982	17 544	10 580	3 187	31 311	13 838	9 411	5 236	28 485	2 826	6 507	-3 681	31 311	28 485	2 826
1983	19 186	12 242	3 359	34 787	15 254	10 562	5 572	31 388	3 399	7 600	-4 201	34 787	31 388	3 399
1976 1	2 278	923	175	3 376	1 700	633	369	2 702	674	1 155	-481	3 138	2 595	543
2	2 464	942	209	3 615	1 904	593	376	2 873	742	1 231	-489	3 590	2 894	696
3	2 672	1 033	196	3 901	2 004	667	384	3 055	846	1 354	-508	4 250	3 220	1 030
4	2 864	1 063	210	4 137	2 167	713	436	3 316	821	1 418	-597	4 051	3 237	814
1977 1	2 839	1 014	229	4 082	2 076	894	474	3 444	638	1 267	-629	3 755	3 289	466
2	2 943	997	212	4 152	2 105	1 011	491	3 607	545	1 199	-654	4 100	3 651	449
3	3 068	994	220	4 282	2 205	1 012	541	3 758	524	1 191	-667	4 752	3 915	837
4	3 071	1 008	251	4 330	2 179	999	522	3 700	630	1 216	-586	4 239	3 654	585
1978 1	3 082	1 117	265	4 464	2 146	1 053	796	3 995	469	1 341	-872	4 140	3 823	317
2	3 097	1 288	283	4 668	2 246	1 057	671	3 974	694	1 415	-721	4 569	4 040	529
3	3 272	1 345	318	4 935	2 244	1 171	780	4 195	740	1 549	-809	5 453	4 375	1 078
4	3 313	1 407	347	5 067	2 270	1 253	743	4 266	801	1 502	-701	4 972	4 192	780
1979 1	3 439	1 795	306	5 540	2 395	1 402	825	4 622	918	1 752	-834	5 195	4 423	772
2	3 524	1 810	342	5 676	2 566	1 721	835	5 122	554	1 412	-858	5 598	5 170	428
3	3 695	2 205	345	6 245	2 626	1 797	952	5 375	870	1 793	-923	6 785	5 623	1 162
4	3 903	2 139	358	6 400	2 819	1 995	1 004	5 818	582	1 578	-996	6 283	5 721	562
1980 1	3 987	2 141	416	6 544	2 867	2 222	924	6 013	531	1 309	-778	6 124	5 719	405
2	3 971	2 178	403	6 552	2 900	2 332	1 002	6 234	318	1 296	-978	6 448	6 304	144
3	3 921	1 842	418	6 181	2 889	1 885	1 008	5 762	419	1 324	-905	6 804	6 152	652
4	3 997	2 119	541	6 657	2 864	2 022	923	5 809	848	1 568	-720	6 558	5 643	915
1981 1	4 072	2 220	989	7 281	2 898	2 015	1 141	6 054	1 227	1 611	-384	6 920	5 731	1 189
2	4 189	2 310	406	6 905	3 088	1 959	1 074	6 121	784	1 798	-1 014	6 805	6 190	615
3	4 354	2 513	490	7 357	3 296	2 271	1 252	6 819	538	1 597	-1 059	7 971	7 286	685
4	4 450	2 936	716	8 102	3 325	2 677	1 079	7 081	1 021	1 735	-714	7 949	6 868	1 081
1982 1	4 397	2 225	1 334	7 956	3 361	2 318	1 284	6 963	993	1 279	-286	7 582	6 518	1 064
2	4 433	2 716	475	7 624	3 459	2 372	1 300	7 131	493	1 738	-1 245	7 536	7 261	275
3	4 292	2 645	624	7 561	3 503	2 294	1 332	7 129	432	1 551	-1 119	8 177	7 698	479
4	4 422	2 994	754	8 170	3 515	2 427	1 320	7 262	908	1 939	-1 031	8 016	7 008	1 008
1983 1	4 777	2 860	1 168	8 805	3 749	2 396	1 294	7 439	1 366	1 938	-572	8 458	6 973	1 485
2	4 786	2 889	663	8 338	3 710	2 816	1 470	7 996	342	1 653	-1 311	8 203	8 054	149
3	4 804	3 230	756	8 790	3 810	2 584	1 276	7 670	1 120	2 143	-1 023	9 432	8 316	1 116
4	4 819	3 263	772	8 854	3 985	2 766	1 532	8 283	571	1 866	-1 295	8 694	8 045	649
1984 1	5 156	3 106	910	9 172	4 125	3 015	1 454	8 594	578	1 663	-1 085	8 819	8 061	758
2	5 235	3 479	685	9 399	4 165	2 838	1 478	8 481	918	2 282	-1 364	9 164	8 479	685
3	5 454	3 368	729	9 551	4 135	2 840	1 466	8 441	1 110	2 461	-1 351	10 331	9 197	1 134

SERVICES: CREDITS

TABLE 5

£ million

		Private sector and public corporations								General government			
		Sea transport											
		Dry cargo	Wet cargo	Total	Civil aviation	Travel	Financial services	Other services	Total	EC institutions	Other	Total	Total services credits
		CGOX	CGOY	CGJW	CGJO	CGKA	CGJQ	CGJT	CGJU	CGPJ	CGPK	CGJR	CGJZ
1975		1 520	1 131	2 651	780	1 218	1 025	2 044	7 718	34	105	139	7 857
1976		1 870	1 363	3 233	1 049	1 768	1 303	2 710	10 063	46	169	215	10 278
1977		2 094	1 339	3 433	1 203	2 352	1 409	3 283	11 680	78	163	241	11 921
1978		1 934	1 215	3 149	1 455	2 507	1 575	3 824	12 510	94	160	254	12 764
1979		2 038	1 766	3 804	1 755	2 797	1 649	4 289	14 294	115	152	267	14 561
1980		2 200	1 616	3 816	2 210	2 961	1 693	4 879	15 559	112	206	317	15 876
1981		2 155	1 629	3 784	2 359	2 970	2 100	5 445	16 658	122	285	407	17 065
1982		2 243	1 024	3 267	2 471	3 168	2 326	5 906	17 138	150	256	406	17 544
1983		2 033	1 021	3 054	2 665	3 655	2 745	6 597	18 716	148	322	470	19 186
Unadjusted													
1980	1	523	464	987	395	516	411	1 186	3 495	31	61	92	3 587
	2	574	393	967	510	715	427	1 143	3 762	31	34	64	3 826
	3	584	369	953	710	1 122	405	1 292	4 482	31	65	96	4 578
	4	519	390	909	595	608	450	1 258	3 820	19	46	65	3 885
1981	1	471	431	902	476	486	494	1 258	3 596	37	83	120	3 716
	2	540	414	954	556	677	512	1 293	3 992	25	37	62	4 054
	3	589	412	1 001	725	1 150	532	1 492	4 900	21	85	106	5 006
	4	555	372	927	602	677	562	1 402	4 170	39	80	119	4 289
1982	1	548	246	794	483	515	605	1 469	3 866	41	103	144	4 010
	2	594	270	864	563	793	577	1 417	4 214	36	58	94	4 308
	3	588	243	832	770	1 188	538	1 546	4 874	38	39	77	4 951
	4	512	265	777	655	672	606	1 474	4 184	35	56	91	4 275
1983	1	497	231	728	525	580	753	1 635	4 221	37	121	158	4 379
	2	488	237	725	629	900	721	1 586	4 561	32	74	106	4 667
	3	548	265	813	823	1 380	644	1 719	5 379	51	69	120	5 499
	4	500	288	788	688	795	627	1 657	4 555	28	58	86	4 641
1984	1	507	262	769	560	633	846	1 768	4 576	41	98	139	4 715
	2	573	268	841	677	987	777	1 753	5 035	38	37	75	5 110
	3	599	274	873	954	1 705	749	1 873	6 154	46	74	120	6 274
Seasonally adjusted		CGKF	CGPA	CGKP	CGKE	CGKU	CGKJ	CGKM	CGKN	CGPN	CGPO	CGKK	CGKS
1980	1	554	464	1 018	495	800	405	1 193	3 911	31	44	76	3 987
	2	559	393	952	545	764	419	1 210	3 890	31	51	81	3 971
	3	553	369	922	577	718	413	1 197	3 827	31	64	94	3 921
	4	534	390	924	593	679	456	1 279	3 931	19	47	66	3 997
1981	1	501	431	932	594	715	473	1 260	3 974	37	61	98	4 072
	2	527	414	941	592	725	493	1 359	4 110	25	54	79	4 189
	3	556	412	968	582	752	553	1 396	4 251	21	82	103	4 354
	4	571	372	943	591	778	581	1 430	4 323	39	88	127	4 450
1982	1	584	246	830	599	786	586	1 466	4 267	41	89	130	4 397
	2	579	270	849	605	839	557	1 481	4 331	36	66	102	4 433
	3	552	243	795	623	774	559	1 460	4 211	38	43	81	4 292
	4	528	265	793	644	769	624	1 499	4 329	35	58	93	4 422
1983	1	530	231	761	653	865	735	1 821	4 635	37	105	142	4 777
	2	478	237	715	670	935	703	1 647	4 670	32	84	116	4 786
	3	511	265	776	668	915	668	1 652	4 679	51	74	125	4 804
	4	514	288	802	674	940	639	1 677	4 732	28	59	87	4 819
1984	1	542	262	804	695	950	825	1 755	5 029	41	86	127	5 156
	2	566	268	834	721	1 039	749	1 809	5 152	38	45	83	5 235
	3	556	274	830	776	1 119	785	1 819	5 329	46	79	125	5 454

SERVICES: DEBITS AND BALANCE

TABLE 5 (continued)

£ million

	Debits										Balance of services		
	Private sector and public corporations												
	Sea transport					Other services							
	Dry cargo	Wet cargo	Total	Civil aviation	Travel	Associated with UK Cont. Shelf	Other	Total	General government	Total services debits	Private sector and public corporations	General government	Total
	CGGH	CGOZ	CGGW	CGGG	CGHA	CGHB	CGGT	CGGU	CGGI	CGGZ	CGIL	CGIG	CGIN
1975	1 296	1 266	2 562	675	917	490	989	5 633	709	6 342	2 085	-570	1 515
1976	1 638	1 517	3 155	840	1 068	665	1 180	6 908	867	7 775	3 155	-652	2 503
1977	1 865	1 480	3 345	984	1 186	725	1 385	7 625	940	8 565	4 055	-699	3 356
1978	1 927	1 235	3 162	1 176	1 549	568	1 465	7 920	986	8 906	4 590	-732	3 858
1979	2 195	1 482	3 677	1 467	2 109	467	1 613	9 333	1 073	10 406	4 961	-806	4 155
1980	2 428	1 247	3 675	1 815	2 738	514	1 764	10 506	1 014	11 520	5 053	-697	4 356
1981	2 593	1 351	3 944	1 922	3 271	598	1 907	11 642	965	12 607	5 016	-558	4 458
1982	2 793	1 004	3 797	2 080	3 640	758	2 325	12 600	1 238	13 838	4 538	-832	3 706
1983	2 974	964	3 938	2 237	4 054	727	2 995	13 951	1 303	15 254	4 765	-833	3 932
Unadjusted													
1980 1	619	348	967	398	399	113	437	2 314	235	2 549	1 181	-143	1 038
2	627	308	935	453	672	120	439	2 619	275	2 894	1 143	-211	932
3	637	301	938	545	1 127	127	441	3 178	255	3 433	1 304	-159	1 145
4	545	290	835	419	540	154	447	2 395	249	2 644	1 425	-184	1 241
1981 1	577	352	929	399	454	103	467	2 352	183	2 535	1 244	-63	1 181
2	595	360	955	475	788	149	463	2 830	235	3 065	1 162	-173	989
3	743	335	1 078	594	1 386	155	487	3 700	251	3 951	1 200	-145	1 055
4	678	304	982	454	643	191	490	2 760	296	3 056	1 410	-177	1 233
1982 1	678	249	927	433	532	173	552	2 617	301	2 918	1 249	-157	1 092
2	745	264	1 009	516	881	166	561	3 133	314	3 447	1 081	-220	861
3	719	240	959	644	1 508	215	613	3 939	299	4 238	935	-222	713
4	651	251	902	487	719	204	599	2 911	324	3 235	1 273	-233	1 040
1983 1	711	262	973	471	596	167	705	2 912	337	3 249	1 309	-179	1 130
2	740	215	955	562	957	167	736	3 377	316	3 693	1 184	-210	974
3	792	231	1 023	683	1 722	179	719	4 326	324	4 650	1 053	-204	849
4	731	256	987	521	779	214	835	3 336	326	3 662	1 219	-240	979
1984 1	828	247	1 075	507	703	159	773	3 217	341	3 558	1 359	-202	1 157
2	823	262	1 085	602	1 163	169	783	3 802	341	4 143	1 233	-266	967
3	837	267	1 104	811	1 795	165	818	4 693	343	5 036	1 461	-223	1 238
Seasonally adjusted	CGHG	CGPB	CGHR	CGHF	CGHW	CGHX	CGHO	CGHP	CGHH	CGHU	CGIT	CGIP	AIMC
1980 1	636	348	984	454	623	139	432	2 632	235	2 867	1 279	-159	1 120
2	612	308	920	451	687	124	443	2 625	275	2 900	1 265	-194	1 071
3	609	301	910	455	710	117	442	2 634	255	2 889	1 193	-161	1 032
4	571	290	861	455	718	134	447	2 615	249	2 864	1 318	-183	1 133
1981 1	593	352	945	460	727	121	462	2 715	183	2 898	1 259	-85	1 174
2	579	360	939	474	814	158	468	2 853	235	3 088	1 257	-156	1 101
3	709	335	1 044	493	872	150	486	3 045	251	3 296	1 206	-148	1 058
4	712	304	1 016	495	858	166	491	3 029	296	3 325	1 294	-169	1 125
1982 1	696	249	945	501	866	200	548	3 060	301	3 361	1 207	-171	1 036
2	726	264	990	514	899	175	567	3 145	314	3 459	1 186	-212	974
3	688	240	928	531	929	206	610	3 204	299	3 503	1 007	-218	789
4	683	251	934	534	946	177	600	3 191	324	3 515	1 138	-231	907
1983 1	730	262	992	546	985	190	699	3 412	337	3 749	1 223	-195	1 028
2	721	215	936	561	975	175	747	3 394	316	3 710	1 276	-200	1 076
3	760	231	991	561	1 048	173	713	3 486	324	3 810	1 193	-199	994
4	763	256	1 019	569	1 046	189	836	3 659	326	3 985	1 073	-239	834
1984 1	851	247	1 098	587	1 152	181	766	3 784	341	4 125	1 245	-214	1 031
2	803	262	1 065	601	1 187	178	793	3 824	341	4 165	1 328	-258	1 070
3	802	267	1 069	667	1 086	160	810	3 792	343	4 135	1 537	-218	1 319

INTEREST,PROFITS AND DIVIDENDS: CREDITS

TABLE 6

£ million

		Earnings on:								of which:	
		Direct investment (excluding oil companies)	Portfolio investment	Export credit	Interest on UK borrowing and lending in foreign currencies (balance)	External sterling lending by UK banks	Interest on bank deposits and lending overseas	Other earnings (incling oil companies)	Total credits	Private sector and public corporations	General government
		CGNN	CGNV	CGUJ	CGNO	CGUK	CGNQ	CGNU	CGJS	CGNT	CGNR
1975		1 591	271	206	128	159	-	476	2 831	2 565	266
1976		2 383	313	258	200	214	87	506	3 961	3 708	253
1977		2 293	328	303	88	157	102	742	4 013	3 629	384
1978		2 346	400	370	307	198	164	1 372	5 157	4 466	691
1979		2 843	540	480	-109	270	287	3 638	7 949	7 133	816
1980		2 934	750	526	203	474	446	2 947	8 280	7 337	943
1981		3 555	990	543	627	872	627	2 765	9 979	9 031	948
1982		3 114	1 630	669	753	1 148	637	2 629	10 580	9 764	816
1983		3 639	2 670	835	295	1 307	594	2 902	12 242	11 626	616
Unadjusted											
1980	1	809	173	132	-73	88	115	868	2 109	1 882	227
	2	792	180	134	124	97	109	814	2 253	1 964	289
	3	644	204	128	53	132	95	580	1 823	1 613	210
	4	689	193	132	99	157	127	685	2 095	1 878	217
1981	1	838	226	126	32	161	133	680	2 199	1 992	207
	2	926	213	133	202	177	150	597	2 396	2 093	303
	3	873	268	132	165	242	179	650	2 496	2 255	241
	4	918	283	152	228	292	165	838	2 888	2 691	197
1982	1	758	350	161	-74	298	164	559	2 218	2 041	177
	2	795	356	172	344	295	174	680	2 814	2 534	280
	3	857	446	158	272	279	150	672	2 623	2 448	175
	4	904	478	178	211	276	149	718	2 925	2 741	184
1983	1	768	654	200	64	357	143	695	2 883	2 736	147
	2	965	594	209	143	324	134	608	2 974	2 768	206
	3	1 045	721	206	-22	312	148	810	3 208	3 089	119
	4	861	701	220	110	314	169	789	3 177	3 033	144
1984	1	779	760	232	-1	347	182	847	3 149	3 002	147
	2	909	810	242	117	429	200	765	3 472	3 286	186
	3	960	987	259	-405	506	210	880	3 364	3 228	136
Seasonally adjusted		CGET	CGGS	CGUL	CGMD	CGUM	CGMF	CGMK	CGKL	CGMI	CGMG
1980	1	816	170	132	-73	88	115	893	2 141	1 889	252
	2	761	183	134	124	97	109	770	2 178	1 933	245
	3	648	194	128	53	132	95	592	1 842	1 620	222
	4	709	203	132	99	157	127	692	2 119	1 895	224
1981	1	848	213	126	32	161	133	707	2 220	1 987	233
	2	882	221	133	202	177	150	545	2 310	2 059	251
	3	880	255	132	165	242	179	680	2 513	2 261	252
	4	945	301	152	228	292	165	853	2 936	2 724	212
1982	1	767	323	161	-74	298	164	586	2 225	2 021	204
	2	754	372	172	344	295	174	605	2 716	2 512	204
	3	861	427	158	272	279	150	697	2 645	2 445	200
	4	932	508	178	211	276	149	741	2 994	2 786	208
1983	1	785	587	200	64	357	143	724	2 860	2 683	177
	2	912	626	209	143	324	134	541	2 889	2 749	140
	3	1 054	690	206	-22	312	148	842	3 230	3 080	150
	4	888	767	220	110	314	169	795	3 263	3 114	149
1984	1	796	695	232	-1	347	182	855	3 106	2 951	155
	2	855	885	242	117	429	200	751	3 479	3 307	172
	3	971	944	259	-405	506	210	883	3 368	3 229	139

INTEREST,PROFITS AND DIVIDENDS: DEBITS AND BALANCE

TABLE 6 (continued)

£ million

	Earnings on:							of which:		Balance of IPD		
	Direct investment (excluding oil companies)	Foreign oil companies' investment in UK	Portfolio investment	Foreign currency borrowing by general government 1	Sterling liabilities	Other	Total debits	Private sector and public corporations	General government	Private sector and public corporations	General government	Total
	CGNX	CGOC	CGOF	CGOD	CGNW	CGOE	CGGK	CGOB	CGNY	CGQD	CGIJ	CGOA
1975	625	-23	307	259	651	249	2068	1288	780	1277	-514	763
1976	1040	-76	385	368	567	322	2606	1705	901	2003	-648	1355
1977	1432	565	573	422	467	457	3916	2811	1105	818	-721	97
1978	1526	703	671	522	496	616	4534	3249	1285	1217	-594	623
1979	2077	1940	747	576	911	664	6915	5559	1356	1574	-540	1034
1980	1873	2965	893	518	1527	665	8441	6893	1548	444	-605	-161
1981	1964	2776	969	489	1899	825	8922	7306	1616	1725	-668	1057
1982	2144	2621	1041	402	2253	950	9411	7795	1616	1969	-800	1169
1983	2668	3021	1120	428	2412	913	10562	8791	1771	2835	-1155	1680
Unadjusted												
1980 1	515	814	199	108	326	152	2114	1788	326	94	-99	-5
2	575	822	279	177	367	237	2457	1951	506	13	-217	-204
3	321	644	223	93	379	102	1762	1417	345	196	-135	61
4	462	685	192	140	455	174	2108	1737	371	141	-154	-13
1981 1	386	653	222	81	426	143	1911	1572	339	420	-132	288
2	423	489	272	191	449	282	2106	1570	536	523	-233	290
3	546	599	253	98	459	180	2135	1771	364	484	-123	361
4	609	1035	222	119	565	220	2770	2393	377	298	-180	118
1982 1	589	611	259	52	490	181	2182	1863	319	178	-142	36
2	566	587	284	139	592	386	2554	2023	531	511	-251	260
3	475	609	267	63	587	174	2175	1816	359	632	-184	448
4	514	814	231	148	584	209	2500	2093	407	648	-223	425
1983 1	631	543	281	79	578	167	2279	1881	398	855	-251	604
2	763	835	284	132	604	327	2945	2426	519	342	-313	29
3	683	604	305	90	598	165	2445	2042	403	1047	-284	763
4	591	1039	250	127	632	254	2893	2442	451	591	-307	284
1984 1	698	1019	306	94	608	207	2932	2443	489	559	-342	217
2	837	686	329	144	607	290	2893	2400	493	886	-307	579
3	668	697	338	123	697	217	2740	2219	521	1009	-385	624
Seasonally adjusted	CGEU	CGMX	CGND	CGNA	CGMN	CGNB	CGHJ	CGMV	CGMR	CGMW	CGMS	AIMD
1980 1	538	814	218	124	340	188	2222	1859	363	30	-111	-81
2	570	822	239	157	375	169	2332	1902	430	31	-185	-154
3	348	644	221	117	397	138	1865	1489	376	131	-154	-23
4	417	685	215	120	415	170	2022	1643	379	252	-155	97
1981 1	395	653	231	99	453	184	2015	1635	380	352	-147	205
2	420	489	238	162	449	201	1959	1518	441	541	-190	351
3	595	599	248	123	482	224	2271	1870	401	391	-149	242
4	554	1035	252	105	515	216	2677	2283	394	441	-182	259
1982 1	605	611	269	75	514	244	2318	1949	369	72	-165	-93
2	563	587	250	119	603	250	2372	1960	412	552	-208	344
3	500	609	252	86	611	236	2294	1901	393	544	-193	351
4	476	814	270	122	525	220	2427	1985	442	801	-234	567
1983 1	644	543	271	94	612	232	2396	1968	428	715	-251	464
2	767	835	275	109	606	224	2816	2372	444	377	-304	73
3	716	604	291	118	626	229	2584	2130	454	950	-304	646
4	541	1039	283	107	568	228	2766	2321	445	793	-296	497
1984 1	713	1019	294	111	636	242	3015	2533	482	418	-327	91
2	847	686	311	116	619	259	2838	2353	485	954	-313	641
3	693	697	323	161	718	248	2840	2305	535	924	-396	528

1. Excluding foreign currency issues but including loans raised by all public bodies under the exchange cover scheme.

TRANSFERS

TABLE 7

£ million

	Credits							Debits					Balance			
		General Government							General Government							
		European Community institutions														
	Private	Agricultural Fund	Social Fund	Regional Development Fund	Budget refunds	Other	Total	Private	Bilateral aid	EC institutions	Other	Total	Private	General Government	Total	of which: with EC institutions
	CGJV	HCOW	HDIZ	HBZA	CGPI	HHAA	HDKD	CGGV	CGEG	CGEI	HHAB	CGGJ	CGIM	CGIH	CGIO	CGII
1975	393	342	19	-	-	5	366	503	148	350	226	724	-110	-358	-468	16
1976	537	207	11	29	-	6	253	509	279	474	303	1 056	28	-803	-775	-221
1977	614	181	48	60	-	9	298	614	279	750	385	1 414	-	-1 116	-1 116	-452
1978	774	329	63	35	-	12	439	848	387	1 364	391	2 142	-74	-1 703	-1 777	-925
1979	801	371	87	71	-	21	550	1 008	498	1 626	484	2 608	-207	-2 058	-2 265	-1 076
1980	820	550	95	173	98	42	958	1 076	528	1 783	470	2 781	-256	-1 823	-2 079	-825
1981	943	683	107	145	693	30	1 658	1 202	584	2 188	572	3 344	-259	-1 686	-1 945	-530
1982	1 030	791	152	111	1 019	84	2 157	1 235	496	2 878	627	4 001	-205	-1 844	-2 049	-721
1983	1 138	1 082	128	139	807	65	2 221	1 349	530	2 994	699	4 223	-211	-2 002	-2 213	-773
Unadjusted																
1980 1	201	116	45	63	-	3	227	267	227	415	147	789	-66	-562	-628	-188
2	205	121	11	12	-	20	164	266	75	483	129	687	-61	-523	-584	-319
3	206	130	11	44	-	12	197	266	110	466	115	691	-60	-494	-554	-269
4	208	183	28	54	98	7	370	277	116	419	79	614	-69	-244	-313	-49
1981 1	231	168	40	18	547	1	774	295	285	544	161	990	-64	-216	-280	230
2	234	74	11	24	-	12	121	298	68	507	146	721	-64	-600	-664	-386
3	237	171	5	24	28	4	232	302	104	660	134	898	-65	-666	-731	-428
4	241	270	51	79	118	13	531	307	127	477	131	735	-66	-204	-270	54
1982 1	250	218	27	14	813	32	1 104	307	232	700	179	1 111	-57	-7	-64	404
2	255	102	9	26	9	13	159	308	59	723	170	952	-53	-793	-846	-564
3	261	186	48	26	72	10	342	310	83	750	142	975	-49	-633	-682	-408
4	264	285	68	45	125	29	552	310	122	705	136	963	-46	-411	-457	-153
1983 1	279	257	49	28	568	15	917	320	254	661	210	1 125	-41	-208	-249	256
2	281	226	22	17	-	16	281	331	80	791	214	1 085	-50	-804	-854	-510
3	287	304	36	62	21	15	438	343	96	628	154	878	-56	-440	-496	-190
4	291	295	21	32	218	19	585	355	100	914	121	1 135	-64	-550	-614	-329
1984 1	293	407	180	67	-	8	662	361	196	783	231	1 210	-68	-548	-616	-121
2	299	244	10	17	-	12	283	369	68	787	219	1 074	-70	-791	-861	-504
3	302	306	54	31	-	-	391	375	102	802	142	1 046	-73	-655	-728	-411
Seasonally adjusted	CGKO	HHAC	HHAD	HBZA	CGPM	HHAE	HHAH	CGHQ	CGEM	CGEO	HHAG	CGHI	CGIU	CGIQ	AIME	CGIR
1980 1	201	112	37	63	-	3	215	267	124	415	118	657	-66	-442	-508	-200
2	205	141	25	12	-	20	198	266	137	483	116	736	-61	-538	-599	-285
3	206	138	18	44	-	12	212	266	145	466	131	742	-60	-530	-590	-254
4	208	159	15	54	98	7	333	277	122	419	105	646	-69	-313	-382	-86
1981 1	231	162	30	18	547	1	758	295	169	544	133	846	-64	-88	-152	214
2	234	110	26	24	-	12	172	298	137	507	132	776	-64	-604	-668	-335
3	237	184	13	24	28	4	253	302	141	660	149	950	-65	-697	-762	-407
4	241	227	38	79	118	13	475	307	137	477	158	772	-66	-297	-363	-2
1982 1	250	209	16	14	813	32	1 084	307	131	700	146	977	-57	107	50	384
2	255	147	25	26	9	13	220	308	118	723	151	992	-53	-772	-825	-503
3	261	198	57	26	72	10	363	310	115	750	157	1 022	-49	-659	-708	-387
4	264	237	54	45	125	29	490	310	132	705	173	1 010	-46	-520	-586	-215
1983 1	279	241	37	28	568	15	889	320	139	661	174	974	-41	-85	-126	228
2	281	310	39	17	-	16	382	331	151	791	197	1 139	-50	-757	-807	-409
3	287	325	46	62	21	15	469	343	131	628	174	933	-56	-464	-520	-159
4	291	206	6	32	218	19	481	355	109	914	154	1 177	-64	-696	-760	-433
1984 1	293	374	168	67	-	8	617	361	108	783	202	1 093	-68	-476	-544	-166
2	299	330	27	17	-	12	386	369	126	787	196	1 109	-70	-723	-793	-401
3	302	332	64	31	-	-	427	375	125	802	164	1 091	-73	-664	-737	-375

INVESTMENT AND OTHER CAPITAL TRANSACTIONS[1]

TABLE 8

Not seasonally adjusted

£ million

		Overseas investment in		UK private investment overseas	Official long-term capital	Trade credit[2]	Foreign currency borrowing or lending abroad by UK banks[3]	Exchange reserves in sterling		Other external banking and money market liabilities in sterling[3]	External sterling lending by UK banks[3,4]	UK non-bank private sector transactions with banks overseas[5]	Other borrowing or lending overseas[6]	Other transactions	Total investment and other capital transactions
		UK public sector	UK private sector					British government stocks	Banking and money market liabilities, etc.[3]						
		AINA	AINB	AINC	AIND	AINE	AINF	AING	AINH	AINI	AINJ	HHAI	HHAJ	AINL	AINM
1973		156	1 341	-1 760	-255	-203	535	74	87	-7	35	320	19	-164	178
1974		180	2 024	-1 148	-287	-722	-295	-124	1 534	148	53	279	72	-112	1 602
1975		-13	1 527	-1 367	-291	-518	253	7	-622	549	96	260	56	217	154
1976		179	1 912	-2 269	-161	-992	-108	12	-1 413	256	-350	115	6	-164	-2 977
1977		1 432	2 967	-2 334	-303	-355	367	6	-16	1 481	58	54	759	53	4 169
1978		-97	1 974	-4 604	-336	-630	-434	-113	-	293	-504	209	-103	81	-4 264
1979		902	3 381	-6 802	-401	-792	1 622	247	509	2 580	205	646	-197	-66	1 834
1980		587	4 619	-8 033	-91	-1 156	2 054	945	317	2 558	-2 500	-732	225	-243	-1 450
1981		188	3 252	-10 642	-336	-839	1 462	207	-118	2 607	-2 954	1	-349	101	-7 420
1982		393	3 094	-10 724	-337	-1 385	4 271	-212	438	4 134	-3 299	-465	553	253	-3 285
1983		700	4 733	-10 500	-389	-1 517	1 352	221	717	3 217	-1 423	-1 422	1 346	-464	-3 429
1976	1	1	591	-598	-37	-355	94	-10	-72	6	-245	141	6	-65	-543
	2	15	377	-560	-18	-284	-86	-13	-908	-11	-223	79	-5	-97	-1 734
	3	61	458	-547	-28	-35	-274	-19	-330	212	-124	-20	-9	-5	-660
	4	102	486	-564	-78	-318	158	54	-103	49	242	-85	14	3	-40
1977	1	353	927	-566	-23	-136	419	-163	345	199	166	-10	151	-42	1 620
	2	443	831	-772	-19	-60	-706	-4	-394	350	-110	-98	479	74	14
	3	252	727	-499	-30	91	189	31	43	323	-23	174	42	-64	1 256
	4	384	482	-497	-231	-250	465	142	-10	609	25	-12	87	85	1 279
1978	1	-55	856	-884	-23	-169	128	-33	176	-62	-292	117	43	45	-153
	2	-40	322	-804	-8	-280	-931	-20	-211	-152	-65	45	-7	-52	-2 203
	3	-21	350	-1 185	-66	-126	342	-34	43	159	-82	11	-26	180	-455
	4	19	446	-1 731	-239	-55	27	-26	-8	348	-65	36	-113	-92	-1 453
1979	1	245	330	-1 596	-78	-320	1 002	-130	268	470	103	173	-98	91	460
	2	78	1 213	-1 462	-35	-244	384	5	92	358	204	24	-52	172	737
	3	429	924	-2 145	-66	156	671	206	194	450	-101	-257	5	-343	123
	4	150	914	-1 599	-222	-384	-435	166	-45	1 302	-1	706	-52	14	514
1980	1	-18	1 382	-2 105	10	-325	767	45	455	256	-324	-488	22	-196	-499
	2	655	901	-1 959	-13	-159	230	448	-94	983	-563	-18	47	-86	372
	3	55	1 021	-1 712	-2	-403	593	437	-80	824	-668	-70	222	-24	193
	4	-105	1 315	-2 257	-86	-269	464	15	36	495	-945	-176	-66	63	-1 516
1981	1	82	412	-3 017	-127	-10	-435	-75	187	301	-1 230	227	-68	-139	-3 892
	2	-156	1 281	-2 454	-111	-144	-750	152	21	902	-435	-582	-128	402	-2 002
	3	-11	772	-2 177	-5	-80	58	44	49	1 015	-799	-126	-81	107	-1 234
	4	273	787	-2 994	-93	-605	2 589	86	-375	389	-490	482	-72	-269	-292
1982	1	-58	1 330	-2 831	-212	-113	1 598	-135	512	1 119	-1 104	354	-119	-336	6
	2	-104	838	-2 303	-14	-350	541	79	-294	1 487	200	-66	86	135	235
	3	73	494	-2 496	-3	-436	1 171	-344	478	1 035	-1 348	-376	343	135	-1 274
	4	482	432	-3 094	-108	-486	961	188	-258	493	-1 047	-377	243	319	-2 252
1983	1	40	906	-2 985	-220	-396	558	74	451	1 062	-943	218	253	-676	-1 658
	2	380	1 891	-2 374	-27	-441	266	269	-262	631	288	-271	601	137	1 087
	3	290	1 420	-2 412	-37	-372	1 465	-72	470	376	1	-181	132	57	1 137
	4	-10	516	-2 729	-105	-308	-937	-50	58	1 148	-769	-1 188	360	18	-3 995
1984	1	260	1 104	-4 840	-126	-353	2 670	103	342	1 334	-1 421	109	261	11	-546
	2	-483	-1 061	-2 570	-48	-12	2 670	101	37	1 918	-1 087	68	-844	-119	-1 430
	3	249	1 607	-2 489	-55	-80	1 733	-36	229	1 403	-1 116	..	-611	175	1 009

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-. Excluding official financing.
2. Excluding trade credit between 'related' firms, after deducting advance and progress payments to suppliers. Coverage was reduced at end-1982, see Table 12 footnote 3.
3. Prior to 1982 includes transactions by 'other financial institutions', which are subsequently included within 'other external borrowing or lending'.
4. Excluding credit for UK exports.
5. Not available for the most recent quarter.
6. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 3).

OVERSEAS INVESTMENT IN UNITED KINGDOM[1]

TABLE 9

Not seasonally adjusted

£ million

		Direct investment (excluding oil companies)			Portfolio investment									
										Net issues abroad[3]				
		Unremitted profits	Other	Total	Investment by oil companies	Investment in UK company securities	British government stocks[2]	British government foreign currency bonds	Local authorities securities	Public corporations	Local authorities	Total portfolio investment	Miscellaneous investment	Total overseas investment in UK
		CGLU	CGLM	CGLL	CGLP	CGLT	CGLV	CGLW	CGLY	CGLZ	CGLX	CGMB	CGLO	CGMA
1978		720	541	1 261	666	12	-3	-	4	-93	-5	-85	35	1 877
1979		1 226	514	1 740	1 215	351	929	-	41	-6	-62	1 253	75	4 283
1980		689	1 852	2 541	1 714	264	571	-	19	-3	-	851	100	5 206
1981		638	342	980	1 882	320	201	-	-	-13	-	508	70	3 440
1982		769	305	1 074	1 770	130	568	-115	-5	-55	-	523	120	3 487
1983		1 370	1 070	2 440	1 263	945	714	-	-7	-7	-	1 645	85	5 433
1982	1	387	480	867	418	-10	-48	-	-6	-4	-	-68	55	1 272
	2	231	-72	159	674	-20	11	-115	-	-	-	-124	25	734
	3	235	-111	124	365	-20	72	-	1	-	-	53	25	567
	4	-84	8	-76	313	180	533	-	-	-51	-	662	15	914
1983	1	443	85	528	133	210	46	-	-	-6	-	250	35	946
	2	487	408	895	521	465	383	-	-2	-1	-	845	10	2 271
	3	459	296	755	510	125	292	-	-2	-	-	415	30	1 710
	4	-19	281	262	99	145	-7	-	-3	-	-	135	10	506
1984	1	526	23	549	455	90	268	-	-2	-6	-	350	10	1 364
	2	552	24	576	-1 757	105	-36	-342	1	-106	-	-378	15	-1 544
	3	403	446	849	573	170	251	-	-2	-	-	419	15	1 856

1. UK Liabilities:increase+/decrease−.
2. Excluding investments by central monetary institutions and international organisations.
3. Excluding official financing.

UK PRIVATE INVESTMENT OVERSEAS[1]

TABLE 10

Not seasonally adjusted

£ million

		Direct investment (excluding oil companies)			Oil companies' and other miscellaneous investment	Portfolio investment by:			Total Portfolio investment	Total UK private investment overseas
		Unremitted profits	Other	Total		UK Banks	Other financial institutions	Other		
		CGOT	CGOR	CGOO	CGOQ	HHAL	HHAM	HHAN	CGOS	AINC
1978		-1 259	-1 451	-2 710	-821	-114	-736	-223	-1 073	-4 604
1979		-1 622	-1 413	-3 035	-2 858	-141	-727	-41	-909	-6 802
1980		-1 634	-1 683	-3 317	-1 586	-592	-2 530	-28	-3 150	-8 033
1981		-2 031	-3 103	-5 134	-1 418	-996	-2 917	-177	-4 090	-10 642
1982		-1 662	-868	-2 530	-1 984	-1 773	-4 074	-363	-6 210	-10 724
1983		-2 112	-457	-2 569	-1 841	-2 470	-3 358	-262	-6 090	-10 500
1982	1	-485	-330	-815	+398	-516	-948	-156	-1 620	-2 831
	2	-423	-212	-635	+308	-331	-862	-167	-1 360	-2 303
	3	-297	-266	-563	-493	-374	-1 131	65	-1 440	-2 496
	4	-457	-60	-517	-787	-552	-1 133	-105	-1 790	-3 094
1983	1	-416	-395	-811	-534	-683	-1 101	144	-1 640	-2 985
	2	-569	218	-351	-263	-502	-925	-333	-1 760	-2 374
	3	-769	35	-734	-518	-636	-490	-34	-1 160	-2 412
	4	-358	-315	-673	-526	-649	-842	-39	-1 530	-2 729
1984	1	-482	-556	-1 038	-682	-2 143	-552	-425	-3 120	-4 840
	2	-479	-131	-610	-1 770	-641	616	-165	-190	-2 570
	3	-723	86	-637	-492	-1 551	191		-1 360	-2 489

1. UK Assets: increase−/decrease+.

OFFICIAL LONG-TERM CAPITAL[1]

TABLE 11

Not seasonally adjusted

£ million

	Inter government loans				Other official long-term capital		
	Made by UK	Repaid to UK	Repaid by UK	Total	UK subscriptions, to IDA, etc.	Other	Total official long-term capital
	CGPD	CGPF	CGPE	CGPC	CGPH	CGPG	AIND
1978	-71	46	-65	-90	-225	-21	-336
1979	-81	70	-116	-128	-259	-14	-401
1980	-61	112	-57	-6	-53	-32	-91
1981	-76	86	-73	-64	-222	-50	-336
1982	-49	79	-87	-57	-244	-36	-337
1983	-76	78	-97	-94	-256	-39	-389
1982 1	-20	19	-	-2	-196	-14	-212
2	-12	21	-8	1	-9	-6	-14
3	-8	17	-	10	-4	-8	-3
4	-9	22	-79	-66	-35	-8	-108
1983 1	-39	19	-	-20	-185	-15	-220
2	-8	22	-7	7	-27	-7	-27
3	-25	19	-	-6	-23	-8	-37
4	-4	18	-90	-75	-21	-9	-105
1984 1	-10	15	-	5	-96	-35	-126
2	-2	13	-	11	-54	-4	-48
3	-5	15	-	10	-44	-21	-55

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-.

IMPORT AND EXPORT CREDIT[1]

(excluding credit between 'related' firms)

TABLE 12

Not seasonally adjusted

£ million

	Import credit					Export credit				
	Credit received by UK businesses					Extended by UK banks		Other credit extended less advance and progress payments		
	Identified long-term2	Other3	Total	Advance and progress payments3	Total	Identified long-term credit	ECGD comprehensive guarantees	UK private sector 3,4	UK public sector	Total
	CGJF	CGJG	CGJH	CGJL	CGJM	CGJC	CGTW	CGTX	CGTY	CGJK
1978	-70	163	93	199	292	-625	33	-261	-69	-922
1979	-173	364	191	-127	64	-440	27	-280	-163	-856
1980	5	-211	-206	-48	-254	-808	-95	212	-211	-902
1981	-22	76	54	76	130	-720	115	-180	-184	-969
1982	-1	-107	-108	-112	-220	-1 335	215	340	-385	-1 165
1983	-88	..	-88	55	-33	-1 074	41	..	-451	-1 484
1982 1	-3	26	23	-66	-43	-237	5	213	-51	-70
2	20	-26	-6	-43	-49	-292	-	78	-87	-301
3	-10	-65	-75	61	-14	-308	16	11	-141	-422
4	-8	-42	-50	-64	-114	-498	194	38	-106	-372
1983 1	-4	..	-4	4	-	-325	25	..	-96	-396
2	-33	..	-33	72	39	-352	10	..	-138	-480
3	-82	..	-82	-12	-94	-246	22	..	-54	-278
4	31	..	31	-9	22	-151	-16	..	-163	-330
1984 1	20	..	20	-13	7	-237	12	..	-135	-360
2	1	..	1	105	106	4	13	..	-135	-118
3	2	..	2	21	23	15	22	..	-140	-103

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-.
2. Credit on ships, commercial aircraft and North Sea installations.
3. Collection of information on trade credit received and extended by non-bank private sector companies ceased at end-1982.
4. Includes net credit extended by UK merchants on third country trade.

OTHER TRANSACTIONS[1]

TABLE 13

Not seasonally adjusted

£ million

		Other external borrowing or lending (net of repayments)						Other transactions			
		Borrowing from banks etc. overseas by									
		Public corporations 2	Local authorities 2	Total public sector 2	UK private sector3	Bank deposits and lending overseas3	Total	Official assets and liabilities (net)	Other commercial short-term transactions (net)	IMF expenditure and receipts in sterling	Total
		CGQW	CGQX	CGLI	CGLE	CGLG	AINK	CGOW	CGOV	CGPY	AINL
1978		11	11	22	710	-626	106	112	-45	14	81
1979		-18	11	-7	954	-497	449	161	-214	-13	-66
1980		-177	11	-166	442	-783	-507	-156	-87	-	-243
1981		-22	4	-18	538	-868	-348	212	-111	-	101
1982		-102	-3	-105	679	-486	89	441	-188	-	253
1983		-84	-3	-87	307	-296	-76	-519	55	-	-464
1982	1	-29	-	-29	-702	966	235	-284	-52	-	-336
	2	-52	-1	-53	-15	88	20	251	-116	-	135
	3	-2	-	-2	251	-283	-33	117	18	-	135
	4	-19	-2	-21	1 145	-1 257	-133	357	-38	-	319
1983	1	-33	-	-33	254	251	471	-615	-61	-	-676
	2	-17	-1	-18	-217	564	329	177	-40	-	137
	3	-3	-	-3	-112	66	-49	17	40	-	57
	4	-31	-2	-33	382	-1 177	-827	-98	116	-	18
1984	1	-4	-	-4	10	364	370	3	8	-	11
	2	-32	-2	-34	-369	-373	-776	191	-310	-	-119
	3	-4	-	-4	-47	-560	-611	167	8	-	175

1. UK Assets: increase-/decrease+. UK Liabilities: increase+/decrease-.
2. Excluding net foreign currency borrowing under the exchange cover scheme which is included under 'offical financing'.
3. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 3 to Table 8).
   The estimate for the most recent quarter excludes UK non-bank private sector transactions with banks overseas (see footnote 5 to Table 8).

UK CONTINENTAL SHELF OIL AND GAS[1]

TABLE 14

Not seasonally adjusted

		Volume of sales		£ million Value of sales		Identifiable balance of payments entries			
		Gas (billion cubic metres)	Oil (million tonnes)	Gas	Oil	Import of goods	Imports less exports of services	I.P.D. due abroad2	Overseas investment in UKCS etc3
		CGOI	CGON	CGOH	CGOM	CGOJ	CGOK	CGOL	CGOG
1978		38.5	53.1	432	2 805	-185	-543	-744	791
1979		38.8	77.5	538	5 689	-171	-436	-1 388	696
1980		36.4	79.3	648	8 851	-144	-478	-2 215	841
1981		35.5	89.6	844	12 340	-377	-548	-2 355	1 645
1982		35.5	101.9	957	14 431	-451	-695	-2 623	1 037
1983		37.7	114.8	1 110	17 018	-371	-656	-3 023	478
1982	1	12.9	22.8	319	3 130	-38	-158	-603	398
	2	6.6	25.9	190	3 436	-92	-150	-503	-8
	3	5.1	26.4	134	3 820	-184	-199	-606	257
	4	10.9	26.8	314	4 045	-137	-188	-911	390
1983	1	13.4	28.0	370	4 252	-119	-150	-745	242
	2	7.9	27.0	243	3 818	-97	-149	-734	166
	3	4.6	29.1	159	4 305	-116	-161	-614	406
	4	11.8	30.7	338	4 643	-39	-196	-930	-336
1984	1	13.8	31.9	423	4 855	-56	-142	-917	148
	2	6.6	29.2	249	4 706	-75	-151	-831	30
	3	5.6	30.5	203	4 983	-61	-147	-816	-39

1. No attempt has been made to measure the impact of the oil and gas programme on the balance of payments accounts. The problems involved are described briefly and the headings defined in Chapter 9 of the CSO Pink Book.
2. Profits of UK subsidiaries of overseas companies earned in respect of their UKCS operations(including profits retained in the United Kingdom); interest paid on borrowing for the UKCS operations (see notes in the CSO Pink Book).
3. Includes investment from retained profits and borrowing for UKCS operations, trade credit etc (see notes in the CSO Pink Book).

OFFICIAL FINANCING[1]

TABLE 15

£ million

	Net transactions with International Monetary Fund2				Foreign currency borrowing:						
						by public bodies under exchange cover scheme4					
						Local authorities and public corporations					
	UK drawings	UK re-purchases	Other net drawings	Total	by HM Govern-ment3	Borrowing	Repayments	Other public bodies4 (net)	Total	Drawings on (+): additions to(-) official reserves	Total official financing
	CGPT	CGPU	CGPX	AION	AIOO	GGCJ	GGCK	GGCL	AIOP	AIPA	AIOQ
1978	-	-948	-68	-1 016	191	672	-1 050	-	-378	2 329	1 126
1979	-	-596	-	-596	-	1 026	-1 295	19	-250	-1 059	-1 905
1980	-	-140	-	-140	-629	538	-894	44	-312	-291	-1 372
1981	-	-145	-	-145	-1 234	426	-800	21	-353	2 419	687
1982	-	-163	-	-163	-	303	-327	50	26	1 421	1 284
1983	-	-36	-	-36	-	596	-366	19	249	603	816
1982 1	-	-38	-	-38	-	117	-59	-	58	11	31
2	-	-60	-	-60	-	110	-88	-	22	699	661
3	-	-32	-	-32	-	66	-43	50	73	-288	-247
4	-	-33	-	-33	-	10	-137	-	-127	999	839
1983 1	-	-36	-	-36	-	127	-127	-	-	652	616
2	-	-	-	-	-	61	-47	-	13	-145	-132
3	-	-	-	-	-	159	-121	-	38	-33	5
4	-	-	-	-	-	249	-71	19	198	129	327
1984 1	-	-	-	-	-	187	-94	20	113	77	190
2	-	-	-	-	79	111	-377	-2	-268	857	668
3	-	-	-	-	194	118	-274	26	-130	281	345

1. Valued in sterling at market related rates of exchange.
2. Excludes transactions which affect the UK reserve position in the IMF (included within official reserves).
   Includes UK drawings on the oil facility; also drawings (-) and repurchases (+) in sterling by other countries.
3. Drawings on (+) and repayments of (-) two euro-dollar facilities of $2,500 million and $1,500 million for HM Government together with a $350 million bond issue in New York. Also includes assignments to HMG of other public sector debt involving equal and offsetting reductions in other public sector foreign currency liabilities taken out under the exchange cover scheme.
4. Comprises loans to the Northern Ireland Central Government and to British Nuclear Fuels plc.

EXTERNAL LIABILITIES AND CLAIMS OF UK MONETARY SECTOR[1] IN FOREIGN CURRENCIES

TABLE 16

£ billion

End of period

		Total	Country analysis									Analysis by type of customer		
			EC countries	Other Western Europe	North America	Other developed countries	Eastern Europe	Oil exporting countries	Offshore banking centres	Other developing countries	Unallocated	Central monetary institutions	Other banks	Other
		AITA	CGFR	CGFV	CGFS	CGFO	CGFQ	CGFU	CGFT	CGFP	CGFW	AITB	AITC	AITD
UK liabilities														
1979		127.1	26.5	22.6	20.0	3.8	2.0	20.8	15.6	11.8	4.0	28.0	71.5	27.7
1980		145.3	29.7	24.6	20.8	7.3	1.7	25.0	20.4	11.0	4.9	24.9	87.8	32.7
1981		220.1	40.7	34.6	41.1	11.6	1.6	34.8	30.4	13.9	11.3	28.5	134.2	57.3
1982		278.9	47.0	41.0	72.6	11.0	2.6	34.9	39.1	15.7	15.0	28.1	174.8	76.0
1982	1	241.9	43.8	38.0	50.6	13.4	1.8	36.3	30.8	14.6	12.6	29.2	148.0	64.7
	2	244.8	41.6	38.3	59.8	9.6	1.8	33.8	31.7	14.9	13.5	28.2	148.5	68.1
	3	265.5	42.9	40.1	69.4	10.8	1.9	35.4	37.0	14.6	13.3	30.8	163.2	71.6
	4	278.9	47.0	41.0	72.6	11.0	2.6	34.9	39.0	15.7	15.0	28.1	174.7	76.0
1983	1	313.4	51.5	48.5	84.3	13.5	3.2	36.4	45.7	17.2	13.0	30.0	199.0	84.4
	2	301.2	48.7	46.4	82.3	10.7	3.0	34.1	46.8	17.8	11.3	27.9	189.8	83.5
	3	317.2	51.9	49.5	85.6	13.9	2.7	35.4	48.4	18.4	11.6	29.9	201.9	85.5
	4	330.8	57.0	51.6	87.9	14.7	3.1	34.7	47.6	19.8	14.3	30.1	209.6	91.0
1984	1	345.7	58.1	54.2	90.9	16.6	3.6	36.0	51.0	21.6	13.9	30.3	220.6	94.9
	2	372.5	61.1	58.1	101.7	16.6	3.6	38.7	52.9	24.5	15.3	32.9	238.6	100.9
	3	400.0	67.7	64.2	103.2	18.3	3.4	42.1	57.8	24.9	18.4	39.1	256.7	104.2
UK claims		AITE	CGFI	CGFM	CGFJ	CGFF	CGFH	CGFL	CGFK	CGFG	CGFN	AITF	AITG	AITH
1979		121.4	34.3	14.0	13.0	10.6	5.9	8.1	22.2	12.9	0.4	1.7	90.1	29.5
1980		139.5	38.6	17.3	12.5	16.2	6.0	8.5	23.5	16.5	0.5	1.5	103.0	35.0
1981		213.7	59.3	23.3	23.8	23.8	7.4	11.8	35.3	25.6	3.4	2.1	151.8	59.8
1982		266.6	75.6	28.1	40.3	26.2	7.5	14.1	40.3	29.1	5.4	2.5	187.6	76.5
1982	1	233.5	65.2	24.8	28.6	27.2	7.5	12.6	36.7	27.6	3.2	2.3	167.1	64.0
	2	235.7	65.9	26.0	33.6	23.0	7.6	13.2	35.3	27.5	3.6	3.2	166.2	66.3
	3	254.7	70.2	26.6	39.8	24.6	7.3	14.8	39.6	27.7	4.1	2.2	182.0	70.4
	4	266.6	75.6	28.1	40.3	26.2	7.6	14.1	40.3	29.1	5.3	2.5	187.6	76.5
1983	1	299.2	88.2	30.2	44.9	31.4	7.7	15.5	42.9	32.4	5.9	4.5	208.7	86.0
	2	286.9	82.1	28.9	43.2	29.5	7.1	14.8	43.8	31.5	6.0	4.8	199.1	83.0
	3	300.8	83.6	28.9	47.3	34.0	7.1	15.9	46.4	31.5	6.2	6.1	208.6	86.1
	4	314.2	86.6	29.9	50.8	33.5	7.4	18.1	48.7	32.8	6.4	6.3	219.4	88.5
1984	1	326.6	87.6	29.9	57.2	38.1	7.4	18.7	48.6	33.6	5.5	7.0	228.5	91.0
	2	349.9	90.3	31.0	63.3	37.9	7.6	20.2	57.5	36.2	6.0	7.2	247.3	95.4
	3	373.5	94.4	32.6	64.0	44.8	8.1	21.1	63.0	39.3	6.0	7.8	263.4	102.4
Net liabilities		AITI	CGGA	CGGE	CGGB	CGFX	CGFZ	CGGD	CGGC	CGFY	CGGF	AITJ	AITK	AITL
1979		5.8	-7.8	8.6	6.9	-6.8	-3.9	12.7	-6.6	-1.1	3.6	26.2	-18.7	-1.8
1980		5.8	-8.9	7.2	8.3	-8.9	-4.3	16.5	-3.1	-5.6	4.5	23.4	-15.2	-2.3
1981		6.4	-18.6	11.4	17.3	-12.2	-5.9	23.1	-4.9	-11.7	8.0	26.4	-17.5	-2.5
1982		12.3	-28.6	12.9	32.3	-15.2	-4.9	20.8	-1.2	-13.4	9.7	25.6	-12.8	-0.5
1982	1	8.4	-21.4	13.3	21.9	-13.7	-5.7	23.7	-5.9	-13.1	9.4	26.8	-19.1	0.7
	2	9.1	-24.4	12.2	26.2	-13.5	-5.8	20.6	-3.6	-12.6	9.9	25.0	-17.7	1.8
	3	10.9	-27.2	13.5	29.6	-13.8	-5.4	20.6	-2.6	-13.0	9.2	28.5	-18.9	1.2
	4	12.3	-28.6	12.9	32.2	-15.2	-4.9	20.8	-1.2	-13.4	9.7	25.6	-12.8	-0.5
1983	1	14.2	-36.6	18.3	39.4	-17.9	-4.5	20.9	2.7	-15.1	7.1	25.6	-9.8	-1.6
	2	14.3	-33.4	17.5	39.2	-18.7	-4.2	19.4	3.0	-13.8	5.2	23.1	-9.2	0.4
	3	16.4	-31.7	20.6	38.3	-20.1	-4.4	19.4	2.0	-13.1	5.4	23.8	-6.8	-0.6
	4	16.5	-29.6	21.6	37.0	-18.8	-4.3	16.6	-1.1	-12.9	7.9	23.8	-9.8	2.6
1984	1	19.1	-29.6	24.3	33.7	-21.5	-3.8	17.3	2.4	-12.0	8.3	23.3	-8.0	3.8
	2	22.6	-29.2	27.2	38.4	-21.3	-4.0	18.4	-4.8	-11.7	9.3	25.8	-8.7	5.5
	3	26.6	-25.7	31.6	39.2	-26.5	-4.7	21.0	-5.2	-14.5	12.4	31.3	-6.6	1.9

1. Including liabilities and claims of certain other financial institutions; also liabilities incurred by UK banks in respect of borrowing by public bodies under the exchange cover scheme and by HM Government and UK banks' claims in respect of export credit in foreign currencies. Because of these coverage differences and also valuation effects, these figures are not fully comparable with with corresponding transactions of UK banks shown in Table 8. Coverage changes ocurred at the end of 1979 and 1981 and end-March 1983 see Financial Statistics and Explanatory Handbook; they are also described, and geographical regions defined, in the CSO Pink Book.

EXTERNAL LIABILITIES AND CLAIMS IN STERLING: GEOGRAPHICAL ANALYSIS[1]

TABLE 17

£ million

End of period

	EC countries	Other developed countries	Eastern Europe	Off-shore banking centres	Oil exporting countries	Other developing countries	International organisations	Unallocated	Total	of which: Overseas banks[2]
	CGDG		CGDD		CGDR	CGDU	CGDL	CGED	AIRA	
Exchange reserves held by overseas monetary authorities										
1978	171		213		1 006	325	898	20	2 633	
1979	153		307		1 205	506	1 102	47	3 320	
1980	158		508		2 238	588	1 108	69	4 669	
1981	216		351		2 471	481	1 143	93	4 755	
1982	214		587		2 654	459	1 456	191	5 561	
1982 1	240		280		2 421	603	1 393	163	5 100	
2	187		345		2 335	477	1 402	142	4 888	
3	200		588		2 295	462	1 388	205	5 138	
4	214		587		2 654	459	1 456	191	5 561	
1983 1	245		650		2 836	698	1 714	69	6 212	
2	261		680		2 793	613	1 844	29	6 220	
3	311		858		2 774	728	1 900	60	6 631	
4	320		935		2 749	651	1 936	18	6 609	
1984 1	272		1 172		2 711	770	2 104	24	7 053	
2	442		1 252		2 606	791	2 108	-	7 199	
3	395		1 247		2 787	773	2 193	7	7 402	
Banking and money market liabilities to holders other than OMA's	CGDF	CGDW	CGDC	CGDN	CGDP	CGDT		CGEC	AIRI	AIRJ
1978	1 265	1 335	68	351	984	1 246		9	5 258	1 696
1979	1 781	2 076	93	708	1 588	1 583		9	7 838	2 740
1980	2 425	2 708	114	1 081	1 998	1 957		26	10 309	4 176
1981	3 453	3 369	116	1 506	2 281	2 269		467	13 461	6 036
1982	4 403	4 536	141	2 134	2 973	2 824		619	17 630	8 544
1982 1	3 621	3 723	88	1 705	2 492	2 542		418	14 589	6 405
2	4 003	4 006	113	1 904	2 824	2 754		485	16 089	7 364
3	4 120	4 550	102	2 054	2 896	2 844		565	17 131	7 824
4	4 403	4 536	141	2 134	2 973	2 824		619	17 630	8 544
1983 1	4 937	5 015	140	2 319	3 273	3 087		337	19 108	9 158
2	5 304	5 401	170	2 401	3 177	2 873		412	19 738	9 560
3	5 221	5 676	105	2 759	3 161	2 805		385	20 112	9 604
4	5 619	6 238	148	2 641	3 275	2 893		527	21 341	10 137
1984 1	5 996	6 798	153	2 929	3 345	2 924		545	22 690	10 914
2	6 587	7 413	190	3 262	3 582	3 093		570	24 697	12 683
3	7 485	7 656	122	3 484	3 627	3 190		606	26 170	13 729
Claims of UK banks[3]	CGDH	CGDX	CGDE	CGDO	CGDS	CGDV	CGDM	CGEE	AISA	AISD
1978	1 281	1 958	689	422	1 216	1 692	-	14	7 272	740
1979	992	1 856	752	480	1 097	1 760	1	22	6 960	710
1980	2 454	2 443	840	824	1 111	1 748	33	27	9 480	2 828
1981	3 232	3 481	949	1 135	912	2 184	120	365	12 378	4 109
1982	3 865	4 776	1 002	1 389	1 125	2 619	270	909	15 955	4 448
1982 1	3 577	3 829	1 022	1 194	891	2 348	126	539	13 526	4 215
2	3 087	3 944	986	1 261	916	2 390	164	611	13 359	3 700
3	3 791	4 213	980	1 339	1 017	2 442	229	812	14 823	4 101
4	3 865	4 776	1 002	1 389	1 125	2 619	270	909	15 955	4 448
1983 1	4 539	5 346	1 027	1 533	1 322	2 931	277	339	17 314	4 699
2	4 301	5 174	1 040	1 567	1 522	2 858	279	360	17 101	4 547
3	4 131	5 224	1 010	1 799	1 497	2 866	288	455	17 270	4 210
4	4 514	5 617	1 038	1 797	1 565	2 847	311	554	18 243	4 453
1984 1	5 331	6 156	1 080	1 961	1 692	2 868	333	450	19 871	5 170
2	5 777	6 482	1 052	2 123	1 835	2 932	326	513	21 040	6 238
3	6 334	6 698	1 040	2 431	1 771	3 008	332	598	22 212	6 589

1. Coverage changes at the end of 1981 and end-March 1983 are described, and geograpical regions defined, in the CSO Pink Book.
2. In the liabilities section this comprises deposits placed with banks in the UK by banks abroad on their own account; also deposits from banks' trustee accounts, which may orginate from non-banks: certificates of deposit are excluded. In the claims section this comprises only claims on banks' (other than OMA's) abroad in respect of loans, advances and balances; bills and acceptances are excluded.
3. Loans, advances and balances, and bills, many of which represent export credit including those which have been refinanced (see Table 12), and acceptances.

EXTERNAL STERLING LIABILITIES[1] ANALYSIS BY COMPONENT

TABLE 18

£ million

End of period

		Exchange reserves in sterling held by overseas monetary authorities(OMAs)							Banking and money market liabilities to holders other than OMAs		
			Banking and money market liabilities								
			External deposits with:								
		British government stocks	Banks and other institutions	Local authorities	Treasury bills	Total	Non-interest bearing notes	Total exchange reserves	External deposits with banks and other institutions	Treasury bills	Total
		AIRB	CGEA	AIRE	AIRG	AIRC	AIRH	AIRA	CGDZ	AIRM	AIRI
1978		1 103	601	44	431	1 076	454	2 633	5 253	5	5 258
1979		1 281	871	17	512	1 400	639	3 320	7 771	67	7 838
1980		2 348	1 272	22	436	1 730	591	4 669	10 292	17	10 309
1981		2 555	1 159	42	326	1 527	673	4 755	13 442	19	13 461
1982		2 923	1 480	25	424	1 929	709	5 561	17 577	53	17 630
1983		3 157	2 348	12	395	2 755	697	6 609	21 206	135	21 341
1982	1	2 388	1 503	30	363	1 896	816	5 100	14 559	30	14 589
	2	2 470	1 303	32	331	1 666	752	4 888	16 059	30	16 089
	3	2 242	1 544	28	582	2 154	742	5 138	17 079	52	17 131
	4	2 923	1 480	25	424	1 929	709	5 561	17 577	53	17 630
1983	1	3 026	1 814	50	464	2 328	858	6 212	19 017	91	19 108
	2	3 296	1 711	23	363	2 097	827	6 220	19 631	107	19 738
	3	3 237	2 128	13	504	2 645	749	6 631	19 975	137	20 112
	4	3 157	2 348	12	395	2 755	697	6 609	21 206	135	21 341
1984	1	3 259	2 570	23	433	3 026	768	7 053	22 523	167	22 690
	2	3 367	2 669	9	508	3 186	646	7 199	24 509	188	24 697
	3	3 336	2 851	6	505	3 362	704	7 402	26 032	138	26 170

1. These figures are not fully comparable with the corresponding transactions shown in Table 8. Also there are coverage changes at end-1981. See further notes in the CSO Pink Book.

OFFICIAL FINANCING LIABILITIES AND OFFICIAL RESERVES[1] [2]

TABLE 19

End of period

		£ million				$ million					£ million
		Official financing liabilities				Official reserves					
			Other foreign currency borrowing								
		IMF	By HM government	By public bodies under exch. cover scheme	Total official financing liabilities	Gold	IMF special drawing rights	Convertible currencies	Reserve position in the IMF	Total	Total
		AIQE	AIQF	AIQG	AIQD	AIPJ	AIPK	AIPM	AIPL	AIPI	AIPD
1978		1 055	2 131	4 579	7 765	984	500	14 230	-	15 694	7 689
1979		471	1 955	4 129	6 555	3 259	1 245	18 034	-	22 538	10 129
1980		294	1 191	3 525	5 010	6 987	560	18 621	1 308	27 476	11 487
1981		200	183	3 998	4 381	7 334	1 043	13 457	1 513	23 347	12 217
1982		36	216	4 612	4 864	4 562	1 233	9 634	1 568	16 997	10 508
1983		-	241	5 397	5 638	5 914	695	9 040	2 168	17 817	12 271
1982	1	156	196	4 207	4 559	4 546	1 042	11 949	1 432	18 969	10 637
	2	99	201	4 327	4 627	4 571	902	10 741	1 489	17 703	10 157
	3	68	206	4 527	4 801	4 561	979	11 257	1 502	18 299	10 798
	4	36	216	4 612	4 864	4 562	1 233	9 634	1 568	16 997	10 508
1983	1	-	236	5 026	5 262	5 914	1 106	8 560	1 757	17 337	11 702
	2	-	228	4 866	5 094	5 914	1 104	8 962	1 731	17 711	11 541
	3	-	234	5 040	5 274	5 914	1 201	9 077	1 710	17 902	11 975
	4	-	241	5 397	5 638	5 914	695	9 040	2 168	17 817	12 271
1984	1	-	243	5 441	5 684	5 473	696	8 465	2 115	16 749	11 619
	2	-	339	5 508	5 847	5 477	837	7 063	2 128	15 505	11 432
	3	-	573	5 893	6 466	5 475	638	7 032	2 115	15 260	12 319

1. Data are denominated or expressed in dollars and converted to sterling at end-period middle market rates. Therefore data cannot be reconciled with the figures of transactions in Table 15.
2. From end-March 1979 the rates at which the reserves are valued in dollars are revised annually. These revisions, and the basis of valuing earlier figures, are described in detail and the effects quantified in 'Financial Statistics Explanatory Handbook'. Definitions of the rates used for valuation and of the various headings above are also given in the CSO Pink Book notes.

The effects of taxes and benefits on household income, 1983

Introduction

This article is the latest in a series which have appeared annually in *Economic Trends* since the early sixties. Its aim is to examine how the distribution of income amongst households is modified as a result of Government intervention through the tax-benefit system. During 1983 the Government raised and spent £138 billion; directly or indirectly most of this revenue is raised from households and the expenditure benefits households. Although greater equality of incomes is not necessarily a primary aim of this process it is nevertheless one of its consequences.

Some Government expenditure programmes are designed specifically to protect people against common sources of hardship such as old age, sickness, unemployment, disability, and so on. These programmes can be collectively described as expenditure on social protection, and are those from which households can most readily perceive a direct benefit, whether in cash or in kind. The Statistical Office of the European Communities has designed a framework for the presentation of information on such current expenditure and this has been adopted by Member Countries as the European System of Integrated Social Protection Statistics (ESSPROS). The sources of hardship or need to which the measures are directed are called 'functions', and data for the United Kingdom, classified by social protection function, are presented in Table A. Government is not the only agency to undertake social protection programmes; the private sector may also do so in the form, for example, of occupational pension schemes or payments made by friendly societies. By definition, the social protection measures must involve the intervention of a 'third party'. In Table A below, Government and non-Government expenditures are distinguished and, although the coverage of non-Government programmes is not complete, it can be seen that Government assistance is predominant and that the private sector makes a significant contribution only in the fields of sickness and old age. Government expenditure on social protection constituted 20 per cent of GDP in 1982/83. Thus the state plays a central role in cushioning the effect of events which reduce the earning power of individuals or impose major financial burdens on them.

In the following analysis, most of these items of Government expenditure are allocated to those households who benefit from them, though the classifications used are those of the national accounts rather than those of ESSPROS. Certain other types of Government expenditure not regarded as social protection are also allocated to households, the main one being education expenditure. However, as well as benefiting from these

Social protection expenditure 1982/83

TABLE A

million

Function	Government programmes		Non-government programmes		Total	Notes
	Benefits in cash	Benefits in kind	Benefits in cash	Benefits in kind		
1. Sickness	590	10 470	2 320	—	13 380	Includes: National Insurance sickness benefit; National Health Service (excluding maternity and services for disabled); employers sick pay.
2. Invalidity, disablement, occupational accidents and diseases	3 450	2 480	210	—	6 140	Includes: social security benefits for the disabled; NHS services for the disabled; personal social services for the disabled.
3. Old age and survivors (e.g. widowhood)	21 020	1 110	4 990	—	27 120	Includes: National Insurance retirement and widows pensions; supplementary pensions; personal social services for the elderly; occupational pensions.
4. Family and maternity	5 330	2 460	—	—	7 790	Includes: child benefit; one parent benefit; family income supplement; NHS maternity services; welfare foods.
5. Unemployment and promotion of employment	6 880	300	550	—	7 730	Includes: unemployment benefit; redundancy payments; supplementary benefit; special employment measures.
6. Housing	1 020	—	—	—	1 020	Includes: rent rebates and allowances.
7. Miscellaneous	220	480	—	—	700	Includes: legal aid and items not separately identifiable.
Total expenditure	38 510	17 300	8 070	—	63 880	

CHART 1

Stages of redistribution

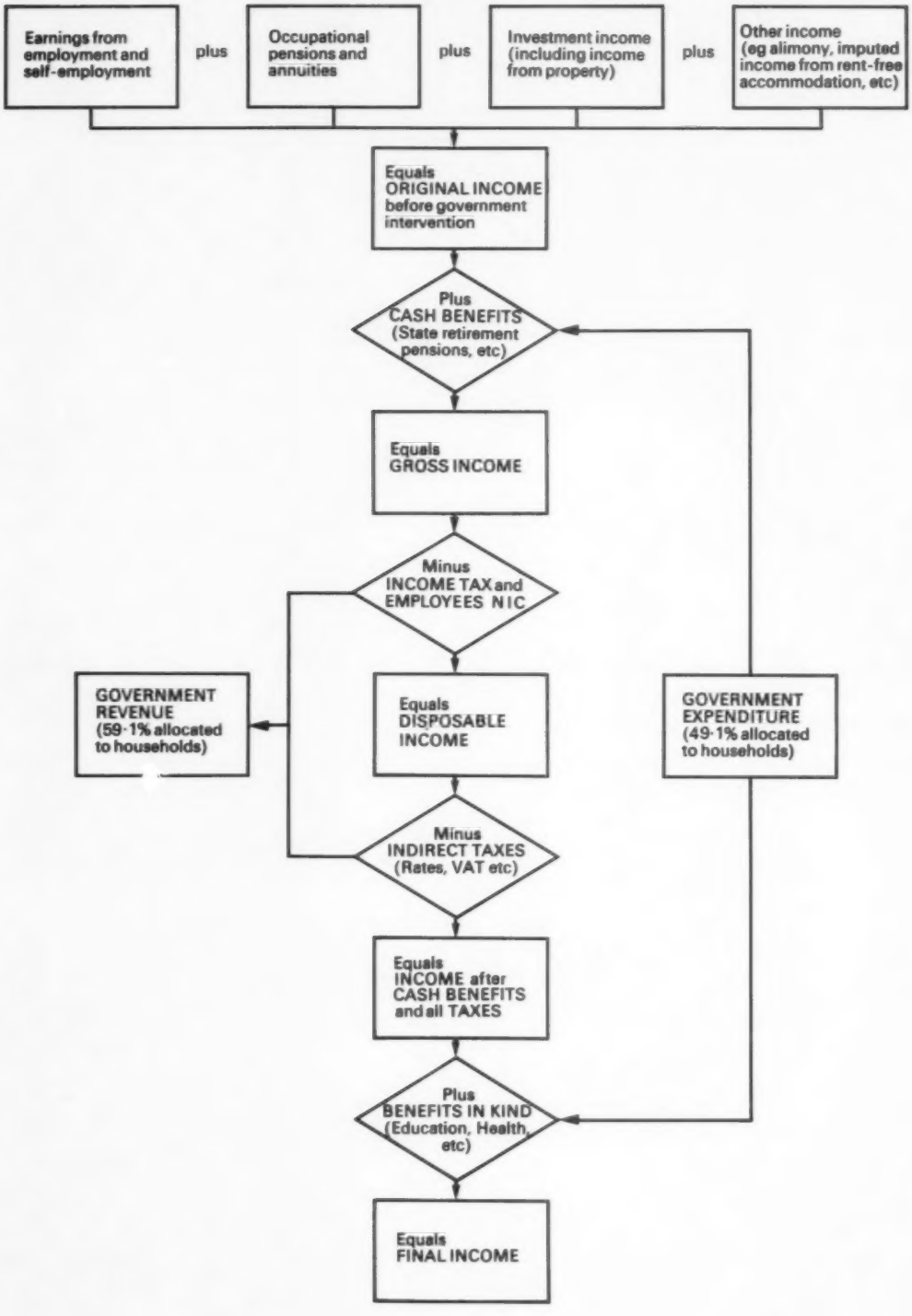
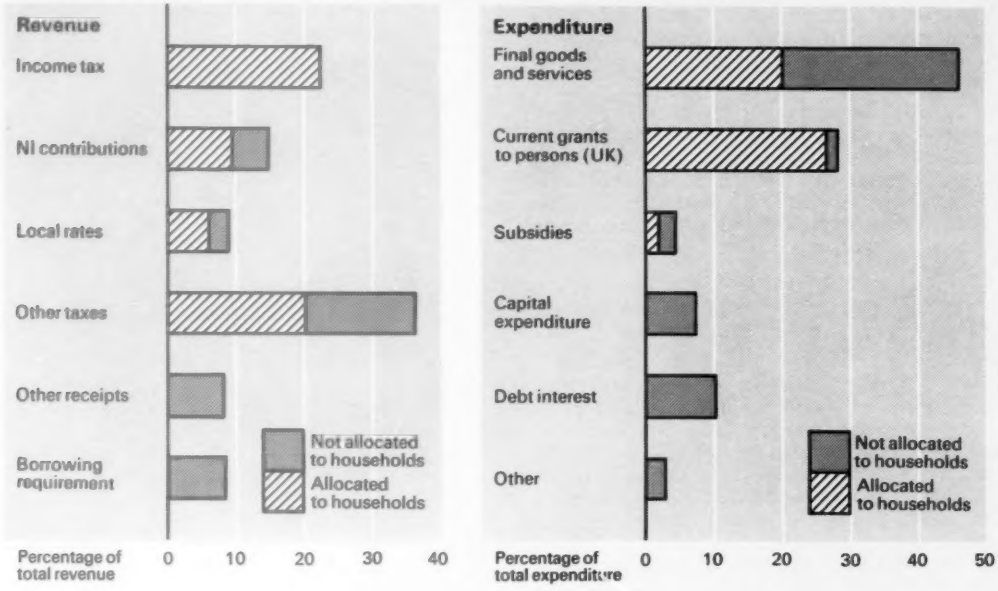

Earnings from employment and self-employment
plus
Occupational pensions and annuities
plus
Investment income (including income from property)
plus
Other income (eg alimony, imputed income from rent-free accommodation, etc)
Equals ORIGINAL INCOME before government intervention
Plus CASH BENEFITS (State retirement pensions, etc)
Equals GROSS INCOME
Minus INCOME TAX and EMPLOYEES NIC
GOVERNMENT REVENUE (59·1% allocated to households)
Equals DISPOSABLE INCOME
GOVERNMENT EXPENDITURE (49·1% allocated to households)
Minus INDIRECT TAXES (Rates, VAT etc)
Equals INCOME after CASH BENEFITS and all TAXES
Plus BENEFITS IN KIND (Education, Health, etc)
Equals FINAL INCOME

CHART 2

Allocated and unallocated items of government revenue and expenditure, 1983



programmes, households also contribute towards their cost through direct and indirect taxation and National Insurance contributions (NIC). For any one household, it is most unlikely that in any one year payments will equal benefits; the aim of this article is to examine how the balance varies by income level, and therefore how the distribution of income is altered by the tax-benefit system. It has been possible to allocate to individual households only 59 per cent of Government revenue and 49 per cent of expenditure (Charts 1 and 2). The remaining items of revenue and expenditure have not been allocated to households either because it would be inappropriate to do so (e.g., the Government Borrowing Requirement) or because the data required to do so are not available (e.g., expenditure on libraries, museums and the arts). Since the total amount of revenue allocated exceeds the total amount of benefits, less significance should be attached to the exact figures of 'gains' and 'losses' in cash terms than to broad patterns of redistribution, particularly in the middle income ranges.

Chart 1 illustrates the stages of redistribution examined in this article. Initially, households receive income from various sources: as a result of their employment (e.g., wages and salaries, income from self-employment); from occupational pensions; from their investments; from other households (e.g., gifts and alimony payments) and from private non-profit making institutions such as charities. Total income from these sources constitutes original income, that is, the income received by a household before Government intervention. The flow chart shows the various ways in which Government then raises revenue from households and distributes benefits to them both in cash and in kind. This article aims to quantify the effects of these actions on the distribution of income amongst households.

The main source of data is the Family Expenditure Survey (FES) 1983. This is a continuous household survey covering the United Kingdom, collecting information on household composition, and on the income, direct tax payments and expenditure of each household member aged 16 years or over. In 1983, 6973 households participated. The response rate in Great Britain was 67.3 per cent, lower than that recorded in 1981 and 1982 but similar to the response rates experienced in the late seventies. The variation in response rates does not affect the main analysis and results of the work described in this series of articles.

The methods used in preparing the estimates are described in Appendix 1 and the detailed results are given in Appendix 4.

Summary of main results

The main results of the analysis are:

(i) In 1983 taxes and benefits increased the share of total income of the bottom 20 per cent of households from 0.3 per cent to 6.9 per cent. The impact is more marked amongst retired than amongst non-retired households. Cash benefits play the largest part in reducing income dispersion.

(ii) The impact of the tax-benefit system varies according to life-cycle stages, which in turn mark significant changes in economic circumstances through life. Households are divided into eight groups chosen to represent the stages of a typical life-cycle, and the effect of taxes and benefits on each is examined. This analysis shows that the tax benefit system has a smoothing effect on income through the life-cycle, compensating for the drop in economic activity rates for households with young children and helping to offset the decline in income of the elderly.

(iii) Part II of the article examines changes in Government revenue and expenditure and their effect on households between 1975 and 1983. Although the distribution of income before taxes and benefits became more unequal over this period, this trend was largely offset by corresponding growth in cash benefits.

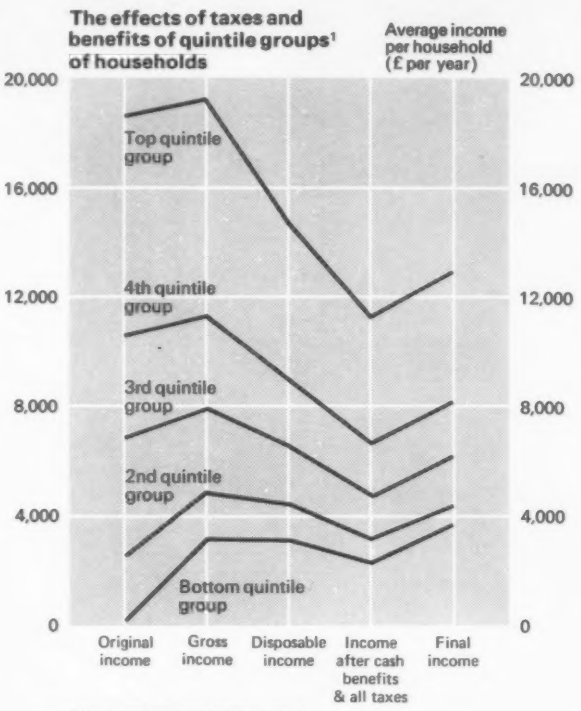
(iv) The 20 per cent of households with the lowest incomes now rely almost entirely on cash benefits. The mix of household types forming this group changed considerably between 1975 and 1983, with increasing numbers of households with children appearing in the low income group and a decreasing proportion of retired households.

PART I
RESULTS FOR ALL HOUSEHOLDS

The distribution of household original income is highly unequal. The 20 per cent of households with lowest original income (the lowest 'quintile group') had an average original income of only £120 per annum in 1983, compared with an average original income of about £18 640 per annum in the highest quintile group (Table B). Chart 3 shows how the dispersion of incomes is reduced at each stage of redistribution, so that average final income ranges from £3 630 to £12 920, a ratio of about 1:4 compared with the ratio for original incomes of about 1:160.

The size of the original income of a household depends to a large extent on how many economically active people it contains. Only one in eighteen households in the lowest quintile group contain one or more economically active people. Nearly two-thirds of the households in this group are retired (Table C) – defined as households where at least half the total gross income comes from retired people – and the majority of these have virtually no original income since the state retirement pension (including any graduated or additional pension) is a cash benefit. The remainder include households either containing no earners (such as single full-time students and lone parent households with young children) or whose only earners are unable to work for all or part of the year. Only 3 per cent of households in the lowest quintile group contain one or more people who were in employment for the whole year.

CHART 3



[1] Households are ranked throughout by their original incomes

An alternative way to illustrate the extent of income redistribution is to examine how income shares are modified by the tax-benefit system (Table D). For example, households in the highest quintile group receive 48 per cent of all original income. After taking into account cash benefits, this group's share falls to 42 per cent. At the other end of the scale, the share of

Summary of the effects of taxes and benefits, 1983

TABLE B

	Quintile groups of households ranked by original income					Average over all households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Original income	120	2 580	6 880	10 570	18 640	7 760
plus cash benefits	3 020	2 250	1 100	730	600	1 540
Gross income	3 140	4 840	7 980	11 300	19 240	9 300
less income tax[1] and employees' NIC	10	410	1 410	2 340	4 510	1 740
Disposable income	3 130	4 420	6 570	8 960	14 730	7 560
less indirect taxes	840	1 270	1 850	2 280	3 380	1 920
Income after cash benefits and all taxes	2 290	3 150	4 720	6 680	11 350	5 640
plus benefits in kind	1 340	1 250	1 470	1 470	1 570	1 420
Final income	3 630	4 400	6 190	8 160	12 920	7 060
Percent that are public sector tenants	*59*	*34*	*28*	*17*	*9*	*30*
Average per household (number)						
Children (i.e. under 16)	0.4	0.4	0.9	0.9	0.7	0.7
Adults	1.5	1.7	2.0	2.2	2.6	2.0
People in full-time education	0.3	0.3	0.7	0.8	0.7	0.6
Economically active people[2]	0.1	0.6	1.3	1.7	2.2	1.2
Retired people	0.9	0.7	0.2	0.1	0.1	0.4

[1] After tax relief at source on mortgage interest and life assurance premiums.
[2] See Appendix 1 paragraph 10 for definition of economically active.

The composition of each quintile group of households ranked by original income[1], 1983

TABLE C

	Quintile group					
	Bottom	2nd	3rd	4th	Top	Total
Percentages						
Household type						
Retired	65	47	7	3	2	25
Non-retired						
1 adult	9	15	14	7	3	10
2 adults	5	15	23	28	27	20
1 adult with children	8	5	2	1	–	3
2 adults with children	9	13	39	38	28	25
3 or more adults	3	5	15	23	41	17
Total	100	100	100	100	100	100

[1] Appendix 4, Table 7 gives fuller details.

Percentage shares of total household income, 1983

TABLE D

	Percentage in each quintile group of households re-ranked at each stage				
	Original income	Gross income	Disposable income	Post-tax[1] income	Final income
Quintile group					
Bottom	0.3	5.8	6.9	6.0	6.9
2nd	7	11	12	11	12
3rd	18	17	18	17	18
4th	27	25	24	24	24
Top	48	42	40	42	39
Total	100	100	100	100	100
Decile group					
Bottom	–	2.3	2.8	2.1	2.6
Top	29	25	24	26	24
Gini coefficient (percent)	49.1	36.3	33.0	36.1	32.7

[1] Income after cash benefits and all taxes but before benefits in kind.

the lowest quintile group rises from 0.3 per cent to 5.8 per cent. Further, but comparatively smaller, compressions of the income distribution occur at the stages of disposable and final income.

Though not without its drawbacks, the Gini coefficient is the most widely used summary measure of the inequality of the distribution of income (see paragraphs 38 and 39 of Appendix 1). It takes values between 0 and 100 per cent – the higher values indicating greater inequality. While it is dangerous to draw detailed conclusions from isolated changes in the Gini coefficient, the reduction from 49.1 per cent to 36.3 per cent shown in Table D clearly confirms that cash benefits produce the largest reduction in income inequality.

Attention has already been drawn to the preponderance of retired households in the lower ranges of the distribution of original income; nearly two-thirds of the households in the lowest quintile group and nearly half of those in the second quintile group are retired (Table C). The income profile of the retired is very different from that of households whose head is of working age, as is their expenditure pattern (which is reflected in their indirect tax payments). For this reason in the detailed examination of each stage of the tax-benefit system which follows, retired and non-retired households will be analysed separately. Non-retired households are examined first, followed by a discussion of the impact of the tax-benefit system on retired households.

RESULTS FOR NON-RETIRED HOUSEHOLDS

Original income

The distribution of original income amongst non-retired households is less unequal than amongst all households, ranging from an average of £1 440 per annum in the lowest quintile group to £20 230 in the highest (Table E). The relationship between a household's original income and the number of economically active people it contains is again very strong.

Summary of the effects of taxes and benefits on non-retired households, 1983

TABLE E

	Quintile groups of non-retired households ranked by original income					Average over all households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Original income	1 440	6 070	8 880	12 150	20 230	9 750
plus cash benefits	2 730	1 090	790	660	540	1 160
Gross income	4 170	7 160	9 670	12 820	20 770	10 920
less income tax[1] and employees' NIC ..	190	1 200	1 910	2 750	4 910	2 190
Disposable income	3 980	5 960	7 760	10 070	15 850	8 730
less indirect taxes	1 210	1 720	2 080	2 560	3 550	2 220
Income after cash benefits and all taxes ..	2 780	4 240	5 680	7 510	12 310	6 500
plus benefits in kind	1 670	1 440	1 520	1 550	1 570	1 550
Final income	4 440	5 680	7 200	9 050	13 880	8 050
Percent that are public sector tenants	*54*	*33*	*21*	*15*	*8*	*26*
Average per household (number)						
Children (i.e. under 16)	0.9	0.9	1.0	0.9	0.7	0.9
Adults	1.7	2.0	2.1	2.3	2.7	2.2
People in full-time education	0.7	0.6	0.8	0.8	0.7	0.7
Economically active people[2]	0.6	1.3	1.6	1.9	2.3	1.5
Retired people	0.1	0.1	0.1	0.1	0.1	0.1

[1] After tax relief at source on mortgage interest and life assurance premiums.
[2] See Appendix 1 para 10 for definition of economically active.

Cash benefits

Most cash benefits are designed to help the aged, the sick and disabled, or people on low incomes (Table F). For non-retired households, income-related benefits such as Supplementary Benefit (SB) form the most important source of cash benefit income and, as would be expected, these are heavily concentrated in the lowest quintile group. Child-related benefits (mainly Child Benefit) are spread fairly evenly over the income distribution, though less benefit is received by the top quintile group where there tend to be fewer children per household (Table E). The presence of elderly people and widows within non-retired households means that these households still receive some age-related benefits (widow's pensions and allowances are classified as age-related benefits). On average, cash benefits formed 11 per cent of the gross income of non-retired households; their payment resulted in a significant reduction in income inequality.

Average value of cash benefits[1] for each quintile group of non-retired households ranked by original income, 1983

TABLE F

	Quintile group					
	Bottom	2nd	3rd	4th	Top	Total
£ per household						
Age-related	390	290	180	140	100	220
Income-related[2]	1 720	350	190	140	130	510
Child-related	310	300	320	320	250	300
Other[3]	310	150	100	70	60	140
Total	2 730	1 090	790	660	540	1 160
Cash benefits as a percentage of gross income	65	15	8	5	3	11

[1] Appendix 4, Table 5 gives more details of cash benefits.
[2] Includes unemployment benefit.
[3] Mainly related to sickness and disability.

The Housing Benefit scheme, which came into operation in November 1982 for certain Supplementary Benefit (SB) recipients and in April 1983 for other claimants, replaced the former system of rent rebates/allowances, rates rebates, and the 'housing requirements' element of SB. This was essentially only an administrative change and has had no effect on the distribution of final income, though the intermediate stages are altered slightly (see Box and Appendix 2 for details).

Income tax and National Insurance contributions

Both income tax payments and employees' National Insurance contributions are closely related to the size of original income. Thus the size of employees' National Insurance contributions paid by each household varies with the number of persons in employment and with their earnings. However the existence of an earnings ceiling means that households in the top quintile group pay rather less in contributions as a percentage of gross income than the middle 60 per cent of households.

With the introduction of the Mortgage Interest Relief at Source (MIRAS) scheme in April 1983, the income tax payments reported after that date by most individuals with mortgages under £30 000 no longer reflected their true income tax liability. This is because under the scheme, tax relief at the basic rate (30 per cent) is deducted by borrowers from their mortgage interest payments to the lending institution, and their income tax payments rise by the same amount. In Table G, for households affected by this change, tax relief obtained under MIRAS has been imputed and deducted from their recorded income tax payments. Also deducted is the relief given by deduction at source obtained on life assurance premiums, formerly treated as a benefit in kind in previous articles.

The personal tax allowances are large enough to prevent households in the lowest quintile group from paying much tax. Due to the progressive nature of the income tax system, the proportion of gross income paid in income tax rises from 2.6 per cent for the lowest quintile group to 18.4 per cent for the highest.

HOUSING BENEFIT

The Unified Housing Benefit scheme came into operation in November 1982 for certain Supplementary Benefit (SB) recipients and in April 1983 for other claimants. It replaced the previous arrangements under which SB recipients received a 'housing requirements' element in their SB payment and then paid their rent and rates in full, and others eligible for assistance with their rent and rates payments received rebates or allowances from their local authority. Under the new system, all those eligible for housing assistance receive it from their local authorities through rent and rates rebates if they are public sector tenants or rent allowances and rates rebates if they are private sector tenants. The effect of the scheme is to decrease SB payments by the amount of any rent or rates assistance included in the 'housing requirements' element, and to raise rent rebates/allowances and rates rebates by a similar amount. In Table F rent rebates and allowances and SB payments are classified as income-related cash benefits, and so this item will have fallen by the amount of rates assistance formerly included. Domestic rates are classified as an indirect tax and in the past have been shown as far as possible net of rebates. However, since the rates rebate element of SB could not be separately identified, SB recipients had to be shown as paying their rates in full, despite the fact that these costs may have been met at least in part by the DHSS. Under the new system it is possible to calculate rates net of rebates for all households, and this is the basis for the calculation of rates payments in Table H. Appendix 2 gives further information on these treatments.

Income tax and employees' NIC as percentages of gross income for each quintile group of non-retired households ranked by original income, 1983

TABLE G

	Quintile group					
	Bottom	2nd	3rd	4th	Top	Total
Income tax[1]	2.6	11.2	13.7	15.2	18.4	14.7
Employees' NIC	1.9	5.6	6.1	6.2	5.3	5.4
Total	4.6	16.7	19.7	21.4	23.7	20.1

[1] After tax relief at source on mortgage interest and life assurance premiums.

INTERMEDIATE TAXES

Some taxes, such as VAT and excise duties on petrol or spirits, have a *direct* effect on the final price of goods and services. However, the producers of these goods and services also incur costs such as employers' National Insurance contributions, non-domestic rates, and duty on hydrocarbon oils, part of which they may pass on to households in the price of their products. These are called intermediate taxes.

Indirect taxes

Indirect taxation is the only component of the tax-benefit system which does not have the effect of reducing income inequality. In total, indirect taxes form a declining proportion of disposable income as original income rises (Table H), ranging from 30.3 per cent in the lowest quintile group to 22.4 per cent in the highest. However, individual taxes have divergent effects on income inequality.

Domestic rates, tobacco duty, beer duty and intermediate taxes (see box) all fall as a percentage of disposable income as income rises. The fall in tobacco duty payments is particularly marked because the incidence of smoking is higher amongst people with low incomes. VAT is not levied on basic necessities such as food and since such items form a declining proportion of expenditure as income rises, VAT payments tend to be smaller for low income households than for others. Car ownership increases with income and therefore so does the related expenditure, in the form of car tax, vehicle excise duty and duty on hydrocarbon oils.

Although some indirect taxes such as VAT are broadly progressive, Table H shows that the impact of each of the indirect taxes declines for the top quintile group compared with the fourth quintile group. This is so partly because higher income households tend to save a larger proportion of their income than households with smaller incomes.

Benefits in kind

Government current expenditure in providing certain goods and services to households either free at the time of use or at subsidised prices is converted by imputation into the equivalent of an income flow to individual households in order to arrive at final income. The two largest items for which such imputations are made are health and education services, which together accounted for 21.1 per cent of total general government expenditure in 1983. Other items for which imputations are made are welfare food (mainly free school meals), the housing subsidy, travel subsidies, and expenditure on the option mortgage scheme, together accounting for a further 2.7 per cent of general government current expenditure.

Education benefit to individual households is imputed by reference to the number of pupils and students in the households (students living away from home are not included as part of their parents' household), and to the type of education they are receiving; higher imputed benefits are accorded to those in higher education (sixth form, university, etc.) than, for example, those in primary education. The bottom quintile group contains the largest number of student households for whom the costs of education are greatest, and this means that this quintile group is allocated the highest average imputed benefit (Table J). The impact of welfare foods, which benefit mainly children, is greatest in the lower income groups since children from these

Indirect taxes[1] as a percentage of disposable income for each quintile group of non-retired households ranked by original income, 1983

TABLE H

	Quintile group					
	Bottom	2nd	3rd	4th	Top	Total
Domestic rates[2]	6.2	4.9	4.3	3.7	2.9	3.9
VAT	6.9	7.6	7.4	7.4	7.0	7.2
Duty on beer	1.2	1.3	1.2	1.1	1.0	1.1
Duty on wines and spirits	0.8	1.1	0.9	1.1	1.1	1.1
Duty on tobacco	4.8	3.2	2.7	2.0	1.5	2.4
Duty on hydrocarbon oils	1.2	1.7	1.8	1.9	1.6	1.7
Car tax and vehicle excise duty	0.7	1.0	1.1	1.1	0.9	1.0
Other taxes on final goods and services	1.9	1.8	1.7	1.5	1.3	1.5
Intermediate taxes	6.6	6.3	5.8	5.6	5.1	5.7
Total	30.3	28.9	26.8	25.4	22.4	25.5

[1] Appendix 4, Table 6 gives more detailed figures on taxes.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average value of benefits in kind[1] for each quintile group of non-retired households ranked by original income, 1983

TABLE J

	Quintile group					Average over all households
	Bottom	2nd	3rd	4th	Top	
£ per household						
Education	840	650	730	800	790	760
Health	560	630	630	600	600	610
Housing subsidy	130	80	60	40	20	60
Travel subsidies	50	60	60	70	130	70
Other	100	30	30	30	20	40
Total	1 670	1 440	1 520	1 550	1 570	1 550
Benefits in kind as a percentage of post-tax[2] income	60	34	27	21	13	24

[1] Appendix 4, Table 6 gives more details of benefits in kind.
[2] Income after cash benefits and all taxes.

households are more likely to take school meals and to have them provided free of charge. Welfare foods form about 90 per cent of the 'other benefits in kind' in Table J, the only other allocated item being option mortgage expenditure. The option mortgage scheme was in operation only until April 1983 when it was subsumed in MIRAS.

Expenditure on health services has been allocated to individuals according to the average cost to the Exchequer of each type of service and to the estimated use made of each service by people of different age and sex. Benefits are then aggregated for members of the household to yield figures on a household basis, so that not only the sex-age composition but also the size of the household determines the distribution of health service benefits. Age and sex are by no means the only possible determinants on which to base the allocation, but age is certainly a very important factor. Data availability also limits the choice of determinants. Table J shows that these benefits are lowest for the bottom quintile group but fairly flat in the remainder of the income distribution.

Housing subsidy is taken to be the excess of expenditure over income on the aggregate local authority housing revenue account, that is the sum of Exchequer Subsidy and local authority determined Rate Fund Contributions to the housing revenue account. Thus housing subsidy as defined here has been spread between public sector tenants. Since the proportion of households who are public sector tenants is 54 per cent in the lowest quintile group compared with only 8 per cent in the highest group (Table E), the imputed housing subsidy is larger for low income households than for others. In this article, tax relief on mortgage interest is treated as an adjustment to income tax, not as a housing subsidy.

Travel subsidies cover the passenger element of the grants made to various public transport operations. This year the bus travel subsidy (including the cost of concessionary fares for the elderly) has been allocated to households for the first time, in addition to the passenger rail travel subsidy (see Appendix 3 for methodology and detailed results). The use of public transport by non-retired households is partly related to the need to travel to work and thus to the number of economically active people in a household. Since households in the middle and upper ranges of the income distribution tend to make heavier use of the railways and those on low incomes make more use of bus transport, the combined effect of these travel subsidies shows some rise over the income distribution, except that the heavy use of railways by households in the top quintile group means that their imputed benefit is nearly twice the average for all households.

Table J shows that taken together the absolute values of these benefits in kind show no clear relationship with household income, falling in the lower half of the distribution and rising in the upper half. However as a proportion of post-tax income, benefits decrease from 60 per cent in the lowest quintile group to 13 per cent in the highest quintile group, indicating that this expenditure contributes to the reduction in income inequality.

The overall effect of the various stages of the tax-benefit system on non-retired households is summarised in Table K. Households in the highest quintile group receive 41 per cent of all original income, compared with 3 per cent received by the lowest quintile group. However after taxes and benefits are taken into account, the share of the lowest quintile group rises to 8 per cent and that of the highest falls to 37 per cent. Cash benefits are the major factor underlying these changes, causing the Gini coefficient to fall from 38.1 per cent based on original income to 31.0 per cent based on gross income. Income tax and employees' National Insurance contributions produce a further reduction in inequality, but payment of indirect taxes increases the Gini coefficient. Benefits in kind reduce income dispersion further.

Percentage shares of total household income for non-retired households, 1983

TABLE K

	Percentage in each quintile group of non-retired households re-ranked at each stage				
	Original income	Gross income	Disposable income	Post-tax[1] income	Final income
Quintile group					
Bottom	3.0	7.2	8.1	6.8	7.6
2nd	12	13	14	13	14
3rd	18	18	18	18	18
4th	25	24	23	23	23
Top	41	38	37	39	37
Total	100	100	100	100	100
Decile group					
Bottom	0.1	2.6	3.1	2.3	2.7
Top	25	23	22	24	22
Gini coefficient (percent)	38.1	31.0	28.8	32.3	29.4

[1] Income after cash benefits and all taxes but before benefits in kind.

RESULTS FOR RETIRED HOUSEHOLDS

Retired households have quite distinct income and expenditure patterns and so the tax-benefit system affects them in a different way to non-retired households (Table L). Few retired households have substantial original income; those who do are concentrated in

Effects of taxes and benefits on retired households, 1983

TABLE L

	Quintile groups of retired households ranked by original income					Average over all households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Original income	—	110	550	1 550	6 390	1 720
plus cash benefits						
Age-related	1 930	2 120	2 170	2 180	2 160	2 110
Child-related	—	—	—	10	—	—
Income-related	760	470	300	120	50	340
Other	160	110	270	350	300	240
Gross income	2 850	2 810	3 290	4 200	8 900	4 410
less income tax[1]	—	—	40	220	1 540	360
less employees' NIC	—	—	—	—	20	—
Disposable income	2 860	2 800	3 250	3 970	7 340	4 050
less indirect taxes						
Domestic rates	200	190	200	260	410	250
VAT	120	140	170	250	460	230
Tobacco duty	90	70	90	100	80	80
Other taxes on final goods & services	100	130	170	240	440	220
Intermediate taxes	150	180	190	250	390	230
Income after cash benefits and all taxes	2 200	2 080	2 430	2 870	5 570	3 030
plus benefits in kind						
Education	—	—	10	30	20	10
National health service	830	840	850	850	900	860
Housing subsidy	140	110	90	60	40	90
Travel subsidies	60	60	60	70	90	70
Final income	3 220	3 100	3 450	3 880	6 630	4 060

[1] After tax relief at source on mortgage interest and life assurance premiums.

the top quintile group and are receiving occupational pensions. However the majority of retired households are dependent on cash benefits, in the form of state retirement pensions and, particularly in the bottom quintile group, income-related benefits such as Supplementary Pension. Thus cash benefits form a very high proportion of gross income for all but the wealthiest retired households. However, the bulk of these cash benefits are paid from the National Insurance Fund into which the recipients will have made contributions throughout their working lives.

By definition, the National Insurance contributions of retired households are very small. All except those in the highest quintile group pay very little income tax, because their income is unlikely to exceed their tax allowances unless they have significant income from investments or occupational pensions in addition to their state retirement pension.

Domestic rates form the largest indirect tax payments made by retired households, followed by VAT and intermediate taxes. VAT, which is the largest indirect tax for non-retired households, is less important to most retired households because they spend a high proportion of their income on exempt or zero-rated goods such as food and heating.

Retired households derive significant benefits from health services and, to a lesser extent, the housing subsidy and travel subsidies. Health benefit is spread fairly evenly within the group of retired households, but housing subsidy is substantially higher for low income households because low income households are more likely to be public sector tenants. The benefits received by retired households from travel subsidies are mainly for bus travel, particularly in the form of concessionary fares, passes, etc. for senior citizens.

Table M shows the extent to which income inequality amongst retired households is reduced by the tax-benefit system. Cash benefits play by far the largest part in bringing about this reduction and income tax payments make a further, though much smaller, contribution. Payments of indirect taxes and receipts of benefits in kind make only a marginal reduction in dispersion and so the distribution of final income is virtually unchanged from the distribution of disposable income. A comparison of Table M with Table K shows that although the distribution of original income amongst retired households is much more unequal than that within the non-retired household group, the distribution of final income is more equal amongst the retired than amongst the non-retired.

Percentage shares of total household income for retired households, 1983

TABLE M

	Percentage in each quintile group of retired households re-ranked at each stage				
	Original income	Gross income	Disposable income	Post-tax[1] income	Final income
Quintile group					
Bottom	—	9.6	10.3	8.7	9.8
2nd	1	13	13	14	14
3rd	6	16	17	17	18
4th	18	21	21	21	22
Top	74	41	38	40	37
Total	100	100	100	100	100
Decile group					
Bottom	—	4.3	4.6	3.2	4.0
Top	53	27	24	25	23
Gini coefficient (percent)	71.8	31.1	27.3	30.4	26.3

[1] Income after cash benefits and all taxes but before benefits in kind.

LIFE-CYCLE ANALYSIS OF REDISTRIBUTION

Although the sharpest contrasts in the impact of the tax-benefit system are to be observed between retired and non-retired households, there are also significant differences in its effects at various stages throughout the 'life-cycle' of a household. To examine these effects in more detail, the following eight household types are defined:

(i) Single adult under 30 years
(ii) Married couple, no children, head of household under 30 years
(iii) Married couple with child(ren), the youngest under 5 years
(iv) Married couple with child(ren), all over 5 years
(v) Married couple with 'child(ren)', at least one of whom is dependent and aged 16–24 years
(vi) Married couple, no children, head of household aged 45–65 years
(vii) Married couple, retired
(viii) Single person, retired

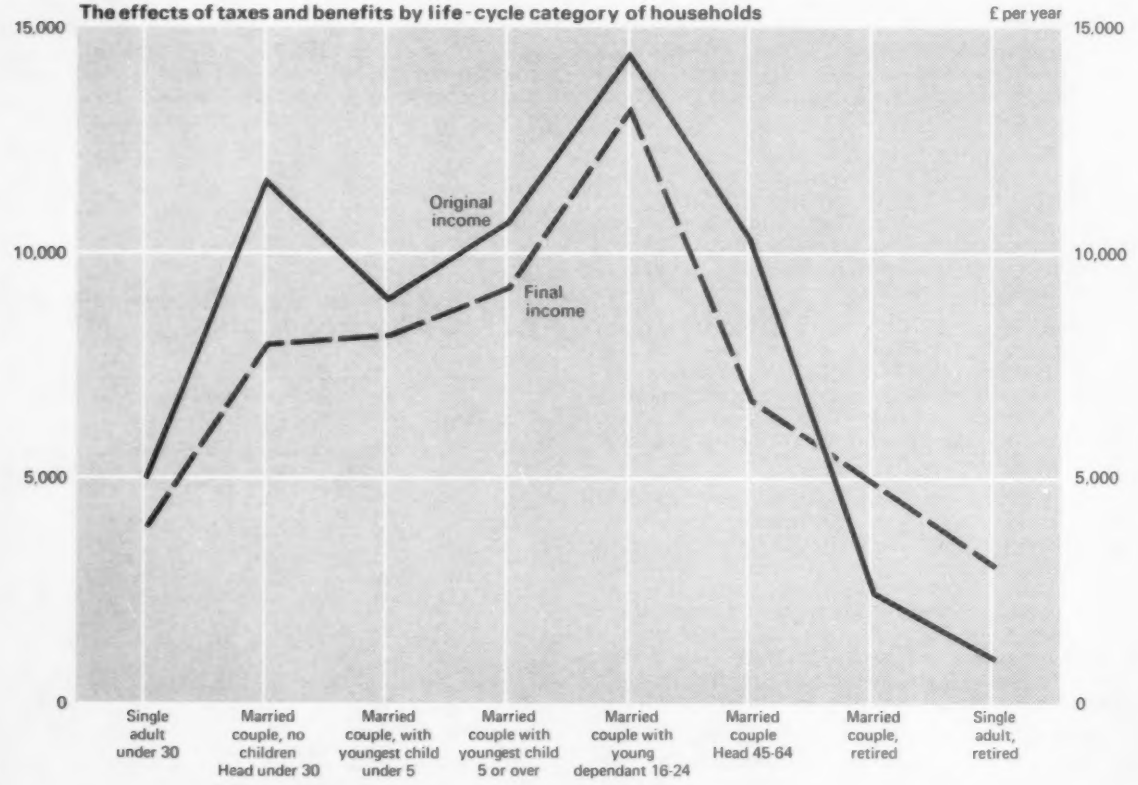
This life-cycle pattern of marriage, family-building, children leaving home and return to two adult and then one adult households is only one of many patterns which actually take place; others are adults remaining single, married couples remaining childless, and married couples with children becoming lone parent households. Appendix 4 Table 8 gives details of these alternative life-cycle household types as well as the eight described above. However, these eight types account for about two-thirds of the FES sample.

The original income of young childless married couples is more than twice that of young single adults (Table N and Chart 4), partly because they tend to be older and also because there are more student households in the latter group. It falls back sharply when there are pre-school children in the household since it is then much less likely that both parents will be economically active. The original income of young childless couples is only exceeded when the children have all reached the age of 16, at which stage household wages and salaries are at a peak. Final income is also at a maximum for this group, having risen at each stage of the life-cycle rather than dipping during the period when there are children under 16.

Older married couples with no children in the household experience a drop in household original income, despite the fact that the head is at an age at which one might expect individual earnings to be at their highest. It was found in the 1980 Department of Employment/ Office of Population Censuses and Surveys Women and Employment Survey that women in their fifties are less likely than younger women to work, and so there are less likely to be two wage-earners in these older households than in those where the head is aged under 30 years. This is confirmed by the fact that on average there are 1.4 economically active persons per household where the head is aged 45–65 compared with 1.8 where the head is aged under 30. Wages and salaries per worker are in fact slightly higher for the older age group.

CHART 4

The effects of taxes and benefits by life-cycle category of households



Average incomes, taxes and benefits by life-cycle categories, 1983

TABLE N

	Single adult aged under 30	Married couples non-retired: no children head aged under 30	youngest child under 5	youngest child 5 or over	with young dependant(s) aged 16-24	no children head aged 45-64	Married couple retired	Single adult retired
Number of households in the sample	*167*	*243*	*921*	*785*	*287*	*577*	*698*	*911*
Average per household (£ per year)								
Original income	5 010	11 660	8 980	10 670	14 450	10 290	2 450	990
plus cash benefits	610	330	1 240	970	1 200	510	3 100	2 160
Gross income	5 610	11 990	10 220	11 640	15 650	10 800	5 550	3 150
less income tax and employees' NIC	1 190	2 520	1 860	2 370	3 320	2 440	540	210
Disposable income	4 420	9 470	8 360	9 270	12 330	8 370	5 010	2 950
less indirect taxes	1 270	2 090	2 030	2 350	3 010	2 160	1 350	700
Income after cash benefits and all taxes	3 150	7 380	6 330	6 920	9 320	6 210	3 660	2 250
plus benefits in kind	810	620	1 860	2 320	3 930	580	1 170	810
Final income	3 960	8 000	8 190	9 240	13 250	6 790	4 830	3 060
Average per household (numbers)								
Children	—	—	2.0	1.9	0.8	—	—	—
Adults	1.0	2.0	2.0	2.0	3.6	2.0	2.0	1.0
In full-time education	0.2	—	0.9	1.9	1.9	—	—	—
Economically active people	0.8	1.8	1.2	1.6	2.4	1.4	0.1	—
Retired people	—	—	—	—	—	0.2	1.7	1.0
Gini coefficients (per cent)								
Original income	*44.4*	*26.7*	*34.2*	*29.9*	*27.8*	*34.9*	*67.2*	*74.4*
Gross income	*33.6*	*24.3*	*26.2*	*24.9*	*24.3*	*31.0*	*27.7*	*22.9*
Final income	*32.1*	*26.6*	*23.9*	*20.2*	*19.6*	*30.7*	*22.1*	*19.3*

The degree of dispersion of original incomes within each of the eight life-cycle groups, as measured by the Gini coefficient, is reduced by the tax-benefit system, though the impact of taxes and benefits varies considerably at different stages of the life-cycle. The largest reductions occur for retired households (though a reduction of a similar size occurs for lone parent households—see Appendix 4 Table 8). Of the non-retired groups, dispersion is reduced significantly amongst young single adult households and amongst households with children under school-leaving age, but the tax-benefit system has very little impact on income distribution within the groups of non-retired married couples at either end of their working lives.

Table N also shows how the importance of the different components of the tax-benefit system varies at different stages of the life-cycle and more detailed information is contained in Appendix 4 Table 8. Employees' payments of National Insurance contributions are lowest when receipts of contributory benefits are highest, with the main contributory benefit, the state retirement pension, reaching its maximum at a time when virtually no contributions are paid. Of the remaining contributory benefits, married couples with pre-school age children receive most Unemployment Benefit, followed by married couples with heads between 45 and 65, and single adults under 30. Non-contributory benefits peak much earlier in the life-cycle, for married couples with pre-school age children, and the most important of these benefits, Supplementary Benefit and Child Benefit, are also at a maximum for this group.

Payment of income tax depends not only on income but also on the tax allowances for which a household is eligible. Thus, households with the same income may pay different amounts of tax according to whether, for example, the income is earned by the husband only or by the husband and wife, the amount of mortgage interest relief allowable, and so on. Thus young married couples pay less income tax than their older counterparts both in absolute terms (£1710 per annum compared with £1900 per annum) and as a percentage of gross income, because both husband and wife are more likely to be earning and so their personal allowance will be higher, and any mortgages held by this group are likely to be less mature and thus eligible for more tax relief. Married couples with pre-school children pay less income tax as a proportion of gross income than any other of the non-retired household groups because of the importance in their gross income of non-taxable benefits such as Child Benefit and Supplementary Benefit (unless paid to an unemployed head of household).

Married couples with children over 16 pay most indirect taxes of all the life-cycle groups shown, though as a proportion of disposable income their payments are actually below average. Single retired people pay less in indirect taxes than any other group.

Of the benefits in kind allocated to households, by far the highest education benefit is received by families where the children are over 16. In these families, those young adults still in education will be in either sixth forms or further education, which are more expensive services to provide than primary education. Health benefits show considerable variation over the life-cycle, ranging from £140 per annum for young single adults to £1010 per annum for retired married couples. Since the cost of providing health care to a baby or a very young child is similar to the cost of providing health services to an elderly person, families with pre-school children receive benefits at a comparable level to retired couples (£1000 per annum). Taken together, allocated benefits in kind peak for married couples with children over 16.

PART II
RESULTS FOR THE YEARS 1975 TO 1983

This part of the article examines the changes which took place between 1975 and 1983 in the impact of taxes and benefits on household income. The main conclusion is that although the distribution of original income became more unequal over this period, taxes and benefits largely offset this trend so that the distribution of final income in 1983 was little changed from that in 1975. This has been achieved mainly through the increased role played by cash benefits in household income over the period, but other components of the tax-benefit system have also altered in importance. The changes in the tax-benefit system in aggregate will be examined first, by reference to the level and composition of government expenditure and financing over the period. This is followed by a discussion of demographic factors, which can also influence the distribution of income between households and the impact of taxes and benefits on them. These two aspects give the background to the period 1975–83. The changes observed over the period in the shares of household income at different stages of the tax-benefit system are then examined in detail.

Total government expenditure 1975-83

Government expenditure and revenue at current prices rose throughout the period, largely due to inflation (Table P). However, when allowance is made for the effects of inflation, the pattern of growth from year to year has been rather uneven, as is clear from comparing the growth in government expenditure with that of gross domestic product (GDP). Taking the period as a whole, the growth in GDP has exceeded the growth in government expenditure measured in current prices.

The growth in government current transfer payments has exceeded that in final consumption throughout the period, more than trebling in current price terms since 1975. Much of this growth can be attributed to increases in the number of recipients, such as retired people and those out of work requiring income support.

Growth in gross domestic product and general government expenditure, 1975–83

TABLE P

	1975	1977	1979	1981	1983
Gross domestic product					
At current market prices (1975 = 100)	100	137	185	239	284
At constant (1980) market prices (1975 = 100)	100	105	111	107	113
General government expenditure and financing (1975 = 100)	100	120	166	227	268
Government expenditure categories (1975 = 100):					
Current transfer payments	100	140	197	281	336
Capital transfer payments	100	36	103	103	90
Final consumption	100	127	168	240	285
Capital formation and stocks	100	98	104	91	115

Allocated and unallocated expenditure

Of the four types of government expenditure shown in Table P, a part of both current transfer payments and final consumption is allocated to households in this study. Both these items have shown strong growth between 1975 and 1983, and Tables Q and R illustrate the changes which have taken place in their composition over this period.

Taken together, the current transfers allocated to households have increased as a proportion of all transfers from 48 per cent to 60 per cent (Table Q). This has been due mainly to the growth in importance of non-contributory benefits which increased from 8 per cent of all transfer payments in 1975 to 18 per cent in 1983. The rise between 1975 and 1979 was partly due to the introduction of Child Benefit, but the main cause over the period as a whole has been the growth in Supplementary Benefit payments. Contributory benefits, mainly the state retirement pension but also Unemployment Benefit, have also increased their share but the growth has been much less marked. The rise in the level of long-term unemployment over the period has had a big impact on total expenditure on Supplementary Benefit, because Unemployment Benefit is payable only for a year after which those out of work may become solely dependent on Supplementary Benefit.

Changes in the composition of Government transfer payments, 1975–83

TABLE Q

Percentages

	1975	1977	1979	1981	1983
Current transfers					
Allocated					
Cash benefits: contributory	27.2	33.3	28.6	30.1	30.0
non-contributory	8.4	11.6	13.6	15.5	18.0
other[1]	2.2	2.8	2.3	2.2	4.3
Subsidies[2]	6.1	6.7	6.6	5.7	4.2
Other[3]	3.7	4.3	3.4	3.5	3.2
Total	47.6	58.9	54.6	57.0	59.8
Unallocated	31.4	34.7	33.1	34.1	33.6
Capital transfers (unallocated)	21.1	6.5	12.3	8.9	6.7
General government transfers	100.0	100.0	100.0	100.0	100.0

[1] Student maintenance grants, rent rebates and allowances.
[2] Housing subsidy, travel subsidies (excluding concessionary fares).
[3] Institutional cost of university education, option mortgage expenditure.

Changes in the composition of government final consumption, 1975–83

TABLE R

Percentages

	1975	1977	1979	1981	1983
Current expenditure on goods and services					
Allocated					
Health	20.8	21.6	21.9	22.9	22.9
Education[1]	21.4	20.0	19.3	18.8	18.5
Welfare foods, concessionary fares	2.0	1.9	1.6	1.3	1.2
Total	44.1	43.4	42.8	43.0	42.6
Unallocated	52.6	53.0	53.6	53.4	54.2
Other final consumption[2]	3.3	3.5	3.6	3.6	3.2
General government final consumption	100.0	100.0	100.0	100.0	100.0

[1] Universities are part of the personal sector in the National Accounts therefore the institutional cost of university education forms part of government transfer payments.
[2] Non-trading capital consumption.

The pattern of government final consumption has remained much more stable than the pattern of transfer payments. The items of final consumption allocated to households have decreased slightly in importance from 44 per cent of final consumption in 1975 to 43 per cent in 1983, though at the same time individual items have changed in importance; health expenditure increased from 21 per cent to 23 per cent whilst education expenditure has fallen from 21 per cent to 18 per cent (Table R).

Allocated and unallocated revenue

The pattern of government financing changed considerably between 1975 and 1983 (Table S). Of those items not allocated to households in this article, borrowing halved in importance as a source of revenue, falling from 19 per cent to 9 per cent, whilst other receipts, such as those from petroleum revenue tax, rose by a similar amount. However the major shift affecting households is the decline in the importance of income tax from 28 per cent to 23 per cent of total revenue, and the rise in the share of indirect taxes from 24 per cent to 29 per cent. There was a significant increase in the share of indirect taxes between 1975 and 1977 due to above average increases in revenue from most specific duties, since when their share has increased steadily in line with government policy to shift the balance of personal taxation from income to expenditure. Income tax fell from 28 per cent of total revenue in 1977 to 24 per cent in 1979 when the basic rate of tax was reduced from 33 per cent to 30 per cent and higher rates of tax were reduced.

In terms of revenue allocated to households rather than total revenue, the shift from income tax to indirect taxes has been even more marked, income tax having declined from 49 per cent of allocated revenue to 38 per cent and indirect taxes having risen from 42 per cent to 49 per cent. Since income tax increases as a proportion of gross income as gross income rises whereas most indirect taxes tend to decrease, one might expect these shifts in government financing to have resulted in some increase in dispersion of post-tax incomes. The extent to which this has actually happened is examined below.

Changes in the composition of general government financing, 1975–83

TABLE S

Percentages of total financing

	1975	1977	1979	1981	1983
Allocated revenue:					
Income tax	28.0	28.2	23.8	23.6	22.7
Employees' NIC	5.4	6.1	5.4	6.0	7.2
Indirect taxes on households[1]	24.3	27.2	28.0	28.7	29.2
Total	57.7	61.5	57.2	58.3	59.1
Unallocated revenue:					
Borrowing	18.9	7.2	14.3	9.7	8.7
Other receipts	23.4	31.3	28.5	32.0	32.2
Total financing	100.0	100.0	100.0	100.0	100.0

[1] Including employers' NIC allocated to households.

Changes in household formation

Demographic changes and changes in household size can have an impact on income distribution even if tax-benefit policy remains unchanged. A trend towards smaller households, for example one parent households, may mean that although *individual* incomes remain unchanged, average *household* incomes fall and there are more low income units. Increased numbers of retired households can also result in more low income units and in greater dependence on cash benefits in the lower ranges of the income distribution.

Because the FES is known to under-represent the elderly, trends in household formation are better studied using the General Household Survey (GHS) which does not suffer from this problem and, in addition, has a larger sample size of about 10 000 respondent households per annum. The household types which can

Changes in household formation, 1975–83

TABLE T

Percentages

	1975	1977	1979	1981	1983
By composition					
1 adult over retirement age[1]	14	14	15	15	16
2 adults, both over retirement age[1]	9	10	9	9	10
2 adults, one over retirement age[1]	6	6	5	6	6
1 adult, under retirement age[1]	6	7	8	7	8
2 or more adults, no children	26	26	26	26	26
2 or more adults, 1-3 children	34	33	32	32	30
2 or more adults, 4 or more children	3	2	2	2	1
1 adult with children	3	3	3	3	3
All households	100	100	100	100	100
By size:					
1 person	20	21	23	22	23
2 people	32	33	32	31	32
3 people	18	17	17	17	17
4 people	17	18	17	18	18
5 people	8	7	7	7	7
6 or more people	5	4	4	4	3
All households	100	100	100	100	100

[1] 60 for women, 65 for men.

Source: *General Household Surveys*

be identified from the GHS are not precisely the same as those identified in the FES, but have been chosen to align as closely as possible. Table T shows the distribution of households by composition and by size over the period 1975 to 1983. Changes in population structure occur only very slowly and a longer time period than that chosen for this article is needed to observe underlying trends; thus Table T does not show any dramatic movements. Nevertheless some changes can be discerned. Retired households have increased as a proportion of all households, in particular one person retired households, and the proportion of households with children has declined. The increase in one person retired households is part of a general trend towards more one person households, whilst the number of large households containing six or more people has declined. Comparison of 1971 and 1981 Census data confirms that these trends are part of long-term structural changes in household formation.

The effect of taxes and benefits on household income, 1975 to 1983

In using the FES to study the effects of changes in government expenditure and financing on household incomes, interpretation can be complicated by year to year variation in the mix of households responding to the survey, though such variation is generally quite small. It can be eliminated by imposing a standard mix of households on the sample, but such a process will also remove any genuine changes in household formation over the period such as those shown in Table T. No attempt has been made to standardise FES data in the discussion below, but this caveat should be borne in mind when interpreting the results and undue significance should not be attached to small year to year changes.

The results of the changing pattern of government expenditure and revenue are illustrated in Table U. Cash benefits have grown as a proportion of gross income from 11 per cent in 1975 to 17 per cent in 1983 for all households, and this growth has been spread throughout the income distribution. Between 1975 and 1979 part of the rise was caused by the introduction of Child Benefit; this benefit was phased in between 1977 and 1979 and replaced child tax allowances and family allowances. Throughout the period the increase in the number of retired households has also been a factor. The lowest quintile group have come to rely even more heavily on cash benefits as their major source of income during the period, but the largest change has been in the composition of gross income of the second quintile group, for whom cash benefits have grown in importance from 24 per cent to 47 per cent of gross income. This is largely because in 1983 a much higher proportion of this quintile group were retired households compared with 1975 (47 per cent in 1983 compared with 21 per cent in 1975).

Income tax and employees' National Insurance contributions (NIC) as a percentage of gross income declined throughout the income distribution over this period. The biggest drop occurred in 1979 with the reduction of the standard rate of income tax, and had its greatest impact at the top of the income distribution. However, because high income households tend to be under-represented in the FES sample the drop in overall tax burdens in 1979 is likely to be understated in Table U since the full effect of the reduction of the higher rates of tax is not reflected. At the lower end of the distribution, the bottom quintile group paid negligible amounts of income tax and employees' NIC throughout the period, but the tax burden of the second quintile group fell significantly from 14 per cent of gross

Taxes and benefits as percentages of income by quintile group of households

TABLE U — Households ranked by original income

	1975	1977	1979	1981	1983
Cash benefits as a percent of gross income					
Bottom quintile group	87	91	92	92	96
2nd	24	29	33	37	47
3rd	6	8	9	11	14
4th	3	4	5	6	7
Top	2	2	3	3	3
Average over all households	11	13	13	14	17
Income tax and NI contributions as a percent of gross income					
Bottom quintile group	1	1	—	—	—
2nd	14	13	10	11	9
3rd	20	19	18	18	18
4th	22	22	19	21	21
Top	26	25	21	23	23
Average over all households	21	20	18	19	19
Indirect taxes as a percent of disposable income					
Bottom quintile group	21	22	23	26	27
2nd	24	25	25	28	29
3rd	23	24	25	27	28
4th	22	23	24	25	25
Top	20	21	21	22	23
Average over all households	22	23	23	25	25
Benefits in kind as a percent of final income					
Bottom quintile group	34	34	35	38	37
2nd	27	27	27	29	28
3rd	24	22	23	24	24
4th	19	18	17	18	18
Top	14	14	12	12	12
Average over all households	21	20	19	20	20

income to 9 per cent, partly because of the fall in the basic rate of tax in 1979 but also because of the increasing importance to them of non-taxable income such as Supplementary Benefit.

Indirect taxes rose steadily as a proportion of disposable income between 1975 and 1983 both on average and at all income levels, though the rise was rather greater in the lower half of the income distribution than in the upper half. Benefits in kind fell marginally between 1975 and 1979 from 21 per cent of final income to 19 per cent, but then rose to 20 per cent in 1981 and stayed at that level in 1983.

Table V shows the effect of these changes on shares of income at the various stages of the tax-benefit system, and in Table W their effect is summarised by Gini coefficients. The distribution of original incomes became more unequal over this period, with the shares of the first three quintile groups falling, that of the fourth quintile group rising marginally and the share of the top quintile group increasing from 44 per cent to 48 per cent. These changes are reflected in the increase in the Gini coefficient from 43 per cent to 49 per cent. However, to a large extent the tax-benefit system counteracted this increase in inequality so that the distribution of final income showed little change in 1983 from that in 1975 and the increase in the Gini coefficient based on final income, from 31 per cent to 33 per cent, was much smaller.

Percentage distribution of original, disposable, post-tax, and final income, households re-ranked at each stage

TABLE V

	1975	1977	1979	1981	1983
Original income					
Quintile group					
Bottom	0.8	0.6	0.5	0.6	0.3
2nd	10	10	9	8	7
3rd	19	19	19	18	18
4th	26	27	27	27	27
Top	44	44	45	46	48
All households	100	100	100	100	100
Disposable income					
Quintile group					
Bottom	6.6	6.9	6.5	6.7	6.9
2nd	13	13	12	12	12
3rd	18	18	18	18	18
4th	24	24	25	24	24
Top	38	38	39	39	40
All households	100	100	100	100	100
Income after cash benefits and all taxes					
Quintile group					
Bottom	6.2	6.4	6.1	6.0	6.0
2nd	12	12	11	11	11
3rd	18	18	18	17	17
4th	24	24	25	24	24
Top	39	39	40	41	42
All households	100	100	100	100	100
Final income					
Quintile group					
Bottom	7.1	7.3	7.1	7.2	6.9
2nd	13	13	12	12	12
3rd	18	18	18	18	18
4th	24	24	24	24	24
Top	38	38	38	39	39
All households	100	100	100	100	100

Gini coefficients for the distribution of income at each stage of the tax-benefit system

TABLE W

	1975	1977	1979	1981	1983
Gini coefficients (per cent)					
Original income	43	44	45	47	49
Gross income	35	34	35	36	36
Disposable income	32	31	33	33	33
Income after cash benefits and all taxes	33	33	35	36	36
Final income	31	31	32	32	33

As would be expected from all the foregoing discussion, it is the payment of cash benefits which has contributed most towards maintaining roughly the same distribution of final income over this period. Although the Gini coefficient based on gross income increased slightly, the rise was much less than that based on original income. Payment of income tax and employees' National Insurance contributions resulted in a further reduction in the Gini coefficient of about 3 percentage points throughout the period. The payment of indirect taxes caused an increase in the dispersion of incomes in each of the years examined and, as government financing shifted in favour of taxes on expenditure over the period, the difference between Gini coefficients before and after indirect tax payments widened. However, since benefits in kind are highest in percentage terms for low income households they redress the effect of indirect taxes, so that the distribution of final income is very similar to that of disposable income.

Low income households

With significant shifts in government expenditure and financing having taken place between 1975 and 1983, it is of interest to examine what their impact has been not only on the overall distribution of income amongst households but in particular on those households with low incomes. The final paragraphs will therefore discuss the changes which have taken place affecting the 20 per cent of households with the lowest original incomes, the bottom quintile group.

The first point to note is that the mix of household types in the bottom quintile group of original income has changed considerably between 1975 and 1983 (Table X). In 1975, 80 per cent of these households were retired, compared with 65 per cent in 1983. Although it appears from Table S that the proportion of lone parent households in the national population did not change very much over this period, the proportion of lone parent households in the bottom quintile group rose from 5 per cent to 8 per cent. The increase in 2 adult households with children was even greater, from 2 per cent to 9 per cent. It thus seems that there have been increasing numbers of households with children appearing in the lowest income group, mainly because of the rising levels of unemployment over this period, and this has meant that more retired households now appear in the second quintile group.

Referring back to the information on the bottom quintile group contained in Table U, these households now rely almost entirely on cash benefits. Changes in income tax rates and employees' NIC have no impact on them since the vast majority are not liable for either

The composition of the lowest quintile group of households ranked by original income.

TABLE X

	1975	1977	1979	1981	1983
Percentages					
Household type					
Retired	81	80	83	78	65
Non-retired					
1 adult	7	5	6	6	9
2 adults	4	4	3	3	5
1 adult with children	5	5	5	6	8
2 adults with children	2	4	4	6	9
3 or more adults	1	1	—	2	3
All households in the bottom quintile group	100	100	100	100	100

type of payment. However, the shift of taxation from income to expenditure has had a greater than average effect on the bottom quintile group, with indirect tax payments rising from 21 per cent of their disposable income in 1975 to 27 per cent in 1983. This compares with the rise from 22 per cent to 25 per cent for all households. Finally, although benefits in kind averaged over all households remained virtually constant at about 20 per cent of final income between 1975 and 1983, their importance to low income households has increased so that these imputed payments formed 37 per cent of final income in 1983 compared with 34 per cent in 1975.

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APPENDIX 1

Methodology and Definitions

The allocation of government expenditure and its financing

1. There are considerable difficulties in moving from the aggregates of government expenditure and financing published in the *United Kingdom National Accounts* the CSO Blue Book to apportioning taxes and benefits to individual households. We can obtain information about the types of household that receive cash benefits and pay direct taxes through surveys such as the Family Expenditure Survey (FES). From the replies respondents give to questions on their expenditure we can impute their payments of indirect taxes, and from information they supply about such factors as their ages and the number of children in the household we can estimate the average costs of providing them with social services, such as health and education. But there are other kinds of financing, such as corporation tax and government receipts from public corporations, which are not covered in the FES and which are difficult to apportion to individual households. Indeed, most people would probably not think of these as leading to a reduction in their personal incomes. Similarly, there are other items of government expenditure, such as capital expenditure and expenditure on defence and on the maintenance of law and order, for which there is no clear conceptual basis for allocation, or for which we do not in any event have sufficient information to make an allocation.

Family Expenditure Survey

2. The estimates in this article are based mainly on data derived from the FES. The FES is a continuous survey of the expenditure of private households. People living in hotels, lodging houses, and in institutions such as old peoples' homes are excluded. Each adult keeps a full record of payments made during 14 consecutive days and answers questions about hire purchase and other payments. He also gives detailed information, where appropriate, about income (including cash benefits received from the state) and payments of income tax. Information on age, occupation, education received, family composition and housing tenure is also obtained.

3. One of the main purposes of the FES is to yield information on household expenditure patterns to produce the weights used in compiling the index of retail prices. The survey is conducted by the Office of Population Censuses and Surveys on behalf of the Department of Employment who analyse and report on it. The *Family Expenditure Survey Report* for 1983, containing detailed data on household characteristics, income, and expenditure, will be published shortly. Details of the survey method are set out in *Family Expenditure Survey Handbook* by W F F Kemsley, R U Redpath and M Holmes. Both are published by Her Majesty's Stationery Office.

4. The number of households in the United Kingdom responding to the FES in 1983 was 6 973. The response rate in Great Britain was 67.3 per cent. The available evidence suggests that older households, households where the head is self-employed, those without children and higher income households, are less likely to co-operate than others. In addition response in Greater London is noticeably lower than in other areas (see 'Family Expenditure Survey: a study of differential response based on a comparison of the 1971 sample with the census' by W F F Kemsley, *Statistical News* No. 31, November 1975 (HMSO)). However at present the results in the article are based on the responses of those households which actually co-operated in the survey. This means that some of the figures differ from those produced by other surveys (see also 'Differential response in the Family Expenditure Survey: the effect on estimates of redistribution of income' by R Harris in *Statistical News* No. 39, November 1977 (HMSO)).

Unit of analysis

5. The basic unit of analysis in the article is the household, and not the family or the individual. A household is defined in the FES as comprising people who live at the same address and who share common catering for at least one meal a day. Spending on many items, particularly on housing, fuel and light and food, is largely joint spending by the members of the household. Without further information or assumptions it is impossible to apportion indirect taxes between individuals or other sub-divisions of households.

6. In classifying the households, adults have been taken as all people aged 16 and over. Most of the 'extra' adults in households with at least three adults are sons or daughters of the head of household rather than retired people.

7. A *retired* household is defined as one in which the combined income of members who are at least 60, and who describe themselves as retired or unoccupied, amounts to at least half the total gross income of the household; or in which the head is over state pension age, and more than three quarters of the household's income consists of national insurance retirement and similar state pensions, or related supplementary benefit.

8. By no means all retired people are in retired households; about one in three households comprising three or more adults contain retired people, for example, and households comprising one retired and one non-retired adult are often classified as non-retired.

9. The sample households have been classified according to their compositions at the time of the interview; it is particularly important to bear this in mind for households comprising one adult with children – it is likely that many of these households changed their composition at some time during the year.

10. *Economically active* people comprise employees, the self-employed and others not in employment but who are seeking or intending, when able, to seek work. In 1982 there were changes in the FES in the definition relating to economic activity. The effect of these changes is to exclude *all* those out of employment for more than a year rather than five years. This exclusion

applies regardless of the fact that they may still describe themselves as seeking work. Also excluded are those who have not been in paid employment since leaving full-time education unless they have worked within the previous year; certain of the part-time self-employed with very small incomes; and those whose only economic activity is working as mail-order agents or baby-sitters.

Income: redistributive stages

11. *Stage one*

Original income *plus* cash benefits = Gross income.

Stage two

Gross income *minus* income tax and employees' national insurance contributions = Disposable income.

Stage three

Disposable income *minus* indirect taxes = income after cash benefits and all taxes.

Stage four

Disposable income *minus* indirect taxes *plus* other benefits = Income after all taxes and benefits (final income).

12. The starting point of the analysis is *original income*. This is the annual income in cash and kind of all members of the household before the deduction of taxes or the addition of any state benefits. It includes income from employment, self-employment, investment and occupational pensions. Employment income is based on the last payment received before the interview or, where different, the amount usually received. Allowance is made for any periods of absence from work through sickness and unemployment in the preceding twelve months, and for bonuses. Income from self-employment is recorded in the FES for a past period. This is brought up to current levels using an index of income from self-employment derived from the National Accounts. Income from interest, dividends and rent is taken as the amount received in the 12 months before the interview. Income from occupational pensions is based on the last payment received.

13. Households living in rent-free dwellings are each assigned an imputed income based upon the rateable value of the dwelling. This is counted as employment income if the tenancy depends on the job.

14. The next stage of the analysis is to add on *cash benefits* to original income to obtain *gross income*. This is slightly different to the 'gross normal weekly income' used in the FES Report, mainly because it excludes the imputed rent of owner-occupiers. Cash benefits are:

Age-related

Retirement and old persons' pension (including graduated and additional pensions), Widows' benefits, Christmas bonus for pensioners and others.

Child-related

Child benefit, Maternity allowance, Maternity grant.

Income-related

Unemployment benefit, Family Income Supplement, Supplementary benefit, Rent rebates and rent allowances, Student maintenance awards.

Other cash benefits

War pension, Invalidity pension, Non-contributory invalidity pensions, Mobility allowance, Job Release allowance, Statutory Sick Pay, Attendance allowance, Sickness benefit, Industrial injury disablement benefit, Death grant, other benefits.

15. This division involves some arbitrary allocations (for example, most income-related benefits depend on the number of children in the household), and it differs from classifications used elsewhere. It is adopted in the article purely for the purpose of shedding further light on the redistributive effects of cash benefits. Statutory Sick Pay is classified as a cash benefit even though it is paid through the employer.

16. Income from short-term benefits is taken as the product of the last weekly payment and the number of weeks the benefit was received in the 12 months prior to interview. Income from long-term benefits, and from rent rebates and allowances, is based on current rates. Supplementary Benefit includes all supplementary allowances where they are separately distinguished by respondents.

17. Income tax and employees' and self-employed contributions to National Insurance and National Health services are then deducted to give disposable income.

18. The estimates are based on the amount deducted from the last payments of employment income and pensions, and on the amount paid in the last 12 months in respect of income from self-employment, interest, dividends and rent. The income tax payments recorded will therefore take account of a household's tax allowances, with the exception of tax relief obtained 'at source'. In 1983 there were two types of tax relief obtained in this way: mortgage interest relief and life assurance premium relief. As explained in the article, where households are eligible for these reliefs imputations are made and deducted from recorded income tax payments. In the case of mortgage interest relief obtained through the MIRAS scheme, which was introduced in April 1983, these imputations are based on the interest component of the latest mortgage repayment. Where the interest component is not known it is estimated by reference to the size of instalment and the age of the mortgagor.

19. Life assurance premium relief is calculated by allocating the amount paid by Central Government to life assurance funds in respect of this relief in proportion to each household's premium payments.

20. As original income includes some elements not actually received in cash, disposable income as defined here does not correspond exactly to money available for the household to spend. It does however give an indication of the resources which are available to the household, and which influence spending decisions.

21. The order in which the remaining allocated items are presented is to some extent arbitrary.

22. *Indirect taxes on final consumer goods and services* include:

Local authority rates on dwellings (after rebates)
Duties on beer, wines, spirits, tobacco, oil, betting, etc.
Value added tax (VAT)
Customs (import) duties
Car tax
Motor vehicle duties
Driving licences
Television licences
Stamp duties
Gas Levy

23. These taxes are either levied directly on the consumer (for example domestic rates) or are assumed to be fully incident on the consumer. For example, the amount of VAT which is paid by the household is calculated from the household's total expenditure on goods and services subject to VAT.

24. The figures for *domestic rates* include, as well as local authority rates, charges made by water authorities for water, environmental and sewerage services, although these charges to households in England and Wales are no longer counted as general government receipts in the National Accounts. (In Scotland these payments go to the local authorities and are so counted.) As explained in the article, local authority rates are shown net of all rebates, whereas in the past the rates assistance received by Supplementary Benefit recipients could not be separately identified. The Housing Benefit scheme replaced the 'housing requirements' element of Supplementary Benefit payments by a system of rebates for all households. Further details of the scheme and its treatment in this article are contained in Appendix 2.

25. VAT and car tax affect the prices of secondhand cars and are therefore assumed to be incident on the purchasers of such cars as well as on the purchases of new cars. In allocating taxes, expenditures recorded in the FES on alcoholic drink, tobacco, ice cream, soft drinks and confectionary are weighted to allow for the known under-recording of these items in the sample. The true expenditure in each case is assumed to be proportional to the recorded expenditure.

26. The incidence of stamp duty on house purchase on an owner-occupying household has been taken as the product of the hypothetical duty payable on buying the current dwelling (estimated from rateable values) and the probability of a household of that type moving in a given year (estimated from the General Household Survey).

27. *Indirect taxes on intermediate goods and services* are:

Local authority rates on commercial and industrial property
Motor vehicle duties
Duties on hydrocarbon oils
Employers' contributions to national insurance, the National Health Service, the industrial injuries fund and the redundancy payments scheme
National insurance surcharge
Customs (import) duties
Stamp duties
VAT

28. These are taxes that fall on goods and services purchased by industry. Only the elements attributable to the production of subsequent goods and services for final consumption by the UK personal sector are allocated in the article, being assumed to be fully shifted to the consumer. Their allocations between different categories of consumers' expenditure are based on the relation between intermediate production and final consumption using input-output techniques.

29. Finally, we add the effects of *benefits in kind* for which there is a reasonable basis for allocation to households, to obtain *final income*. Benefits in kind are:

State education
School meals, milk and other welfare foods
National Health Service
Housing subsidy
Rail travel subsidy
Bus travel subsidy
Concessionary bus fares for senior citizens
Option mortgage expenditure

30. *Education benefit* is estimated by the Department of Education and Science as the cost per pupil or student in special schools, primary, secondary and direct grant schools, universities, and other further education establishments. The value of the benefit attributed to a household depends on the number of people in the household recorded in the FES as receiving each kind of education (students away from home are not counted).

31. The value of *school meals and other welfare foods* is based on their cost to the public authorities. Any payment by the individual households is subtracted to arrive at a net contribution.

32. Each individual in the FES is allocated a benefit from the *National Health Service* according to the estimated average use made of health services by people of the same age and sex, and according to the total cost of providing those services. The benefit from the maternity services is assigned separately to those households receiving maternity grant.

33. In this article public sector tenants are defined to include the tenants of local authorities, New Town Corporations, the Scottish Special Housing Association (SSHA) and the Northern Ireland Housing Executive (NIHE). The total *housing subsidy* includes the net excess of current expenditure over income on the housing revenue accounts of local authorities; and grants paid to the New Town Corporations, the SSHA, the NIHE and the Housing Corporation. Within Greater London, the rest of England, Wales, Scotland and Northern Ireland each public sector tenant has been allocated a share of the region's total relevant subsidy based on the gross rateable value of his dwelling. The grant to the Housing Corporation has been similarly allocated to housing association tenants in the UK. Housing subsidy does not include mortgage interest tax relief, rent rebates and allowances or rate rebates (see paragraphs 16, 18 and 24 respectively).

34. The rail travel subsidies allocated are those to British Rail passenger operations and London Transport railways (the Underground). The method of allocation has been revised this year and is described in more detail in Appendix 3.

35. The bus travel subsidy (including the cost of concessionary travel schemes for senior citizens) has been allocated to households for the first time in this year's article. The methods used are described in Appendix 3.

36. *Option mortgages* are those where the building societies (or other bodies) charge a low rate of interest, being compensated for this by payments from central government. The interest payments do not then qualify for tax relief, the scheme being primarily for the benefit of non-taxpayers. The benefit to each household holding an option mortgage is assumed to be in proportion to its last interest payment. This scheme ended in April 1983 with the implementation of MIRAS (see paragraph 18 above).

37. It must be emphasised that the analysis in this article provides only a very rough guide to the kinds of household which benefit from government expenditure, and by how much, and to those which finance it. Apart from the fact that large parts of expenditure and receipts are not allocated, the criteria used both to allocate taxes and to value and apportion benefits to individual households could be regarded as too simplistic. For example, the lack of data forces us to assume that the incidence of direct taxes falls on the individual from whose income the tax is deducted. This implies that the benefit of tax relief for mortgage interest, for example, accrues directly to the tax payer rather than to some other party, for example, the vendor of the land. It also implies that the working population is not able to pass the cost of the direct tax back to employers through lower profits, or to consumers through higher prices. And, in allocating indirect taxes we assume that the part of the tax falling on consumers' expenditure is borne by the households which buy the item or the service taxed, whereas in reality the incidence of the tax is spread by pricing policies and probably falls in varying proportions on the producers of a good or service, on their employees, on the buyer, and on the producers and consumers of other goods and services. Another example is that we know only an estimate of the total financial cost of providing benefits such as education, and so we have to treat that cost as if it measured the benefit which accrues to recipients of the service. In fact, the value the recipients themselves place on the service may be very different to the cost of providing it; moreover, there may be households in the community, other than the immediate beneficiaries, who receive a benefit indirectly from the general provision of the service.

Gini coefficient

38. The Gini coefficient is the most widely used summary measure of the degree of inequality in an income distribution. It can most easily be understood by considering a Lorenz curve of the income distribution, ie, a graph of the cumulative income share against the cumulative household share. The curve representing complete equality of income is thus a diagonal line, as in Diagram A, while complete inequality (with only one recipient of income) is represented by a curve comprising the horizontal axis and the right-hand vertical axis.

39. A more typical Lorenz curve is illustrated in Diagram B. The area between the Lorenz curve and the diagonal line of complete equality, as a proportion of the triangular area between the curves of complete equality and inequality, gives the value of the Gini coefficient. This is the shaded area in Diagram B. Thus a distribution of perfectly equal incomes has a Gini coefficient of zero; as inequality increases (and the Lorenz curve bellies out), so does the Gini coefficient until, with complete inequality, it reaches its maximum value of 1 (or 100 per cent).

Previous articles

40. This article is the latest in an annual series. Earlier articles covering the years 1957 to 1982 were published in the following issues of *Economic Trends*: November 1962, February 1964, August 1966, February 1968, 1969, 1970, 1971, 1972, November 1972 and 1973, December 1974, February 1976, December 1976, February 1978, January 1979, 1980, 1981 and 1982, December 1982 and November 1983. The January 1981 article contains a comprehensive account of the changes in treatment over the years. As far as is practicable with the resources available, the Central Statistical Office will provide on request analyses for 1983 on a basis comparable with those for earlier years. Enquiries should be addressed to D Westcott, Branch 8, Central Statistical Office, Great George Street, London SW1P 3AQ, Telephone 01—233 8300.

DIAGRAM A

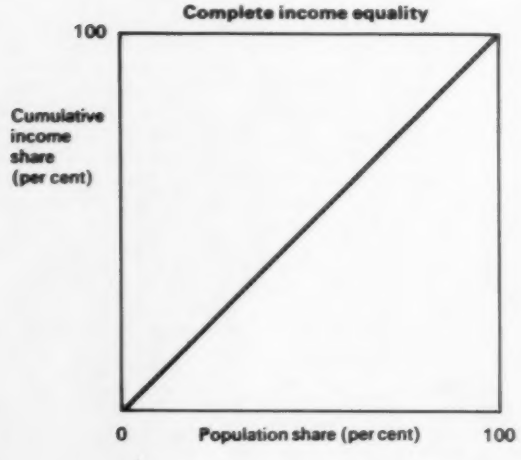
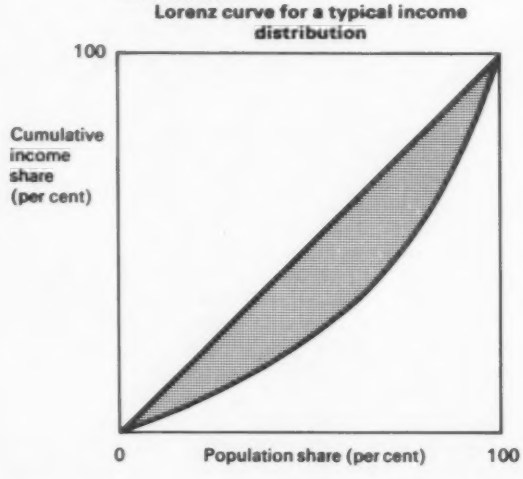


DIAGRAM B



APPENDIX 2

Housing Benefit Scheme

The new Housing Benefit scheme came into operation on 22 November 1982 for certain Supplementary Benefit recipients and on 1 April 1983 for other claimants. Prior to November 1982, assistance with housing costs could be obtained in one of two ways. People in receipt of Supplementary Benefit could have the amount of their benefit assessed to include a 'housing requirements' element. Others could receive assistance from their local authority in the form of rate rebates, rent rebates to council tenants, or rent allowances to tenants of private landlords. Under the new scheme all government assistance with rents and rates payments is paid through local authorities and Supplementary Benefits are reduced accordingly.

Under the new scheme there are two types of claimant:

(i) Standard claimants – persons who are liable to pay rent or general rates on the dwelling they occupy as a home, and who are not receiving Supplementary Benefit.

(ii) Certificated claimants – persons who are treated as householders for Supplementary Benefit purposes, and who are entitled to a supplementary allowance or pension.

The effects of the changes on the national accounts are as follows:

(i) Central government grants to the personal sector no longer include the 'housing requirements' element of Supplementary Benefit or the central government share of local authority rent rebates/allowances, and are thus reduced by about £1 800 million.

(ii) The central government share of the cost of the housing benefit scheme is now included in current grants to local authorities which are thus increased by about £2 000 million.

(iii) Payment of local authority rates are now shown net of all rebates, including those paid to Supplementary Benefit recipients, and are thus reduced by about £400 million.

(iv) Local authority grants to the personal sector now include all rent rebates and allowances, and are thus increased by about £1 400 million.

Thus the total receipts of the personal sector from general government are reduced by the amount of rates assistance formerly included in Supplementary Benefit, an estimated reduction of £400 million, and consumers' expenditure on housing in respect of rates payments is reduced by the same amount.

Previous treatment of housing assistance

In previous articles in this series Supplementary Benefit, including the 'housing requirements' element, has been treated as an income-related cash benefit as have rent rebates/allowances received from local authorities. However, in accordance with national accounts practice, domestic rates are treated as an indirect tax, net of any local authority rate rebates received. However, since the rate rebate element of the 'housing requirements' part of Supplementary Benefit could not be identified, recipients of Supplementary Benefit had to be shown as paying their local authority rates in full even though these costs were being met in part or in full by the DHSS. To try to get around this problem, certain tables gave a range of payments of domestic rates, based at the lower point on the assumption that Supplementary Benefit recipients paid zero rates and, at the upper point, that they paid their rates in full. The true position lay somewhere between the two.

Treatment of housing benefit

The main difference in this year's article compared with previous years is that the new scheme enables rates payments to be shown net of rebates for *all* households, including those on Supplementary Benefit. In detail, the treatment of the various elements of the scheme is as follows:

(i) *Supplementary Benefit* continues to be treated as an income-related cash benefit, though receipts will have fallen by the amount of 'housing requirements' no longer payable under the new scheme.

(ii) *Rent rebates/allowances* continue to be treated as income-related cash benefits, and will rise by the amount of rent assistance formerly included in the 'housing requirements' element of Supplementary Benefit.

(iii) *Domestic rates* continue to be shown as an indirect tax, net of all rebates. Payments will fall by the amount of rates assistance formerly included in the 'housing requirements' element of Supplementary Benefit payments.

Housing Benefit Supplement (HBS) is a form of Supplementary Benefit created under the housing benefit scheme. It is payable to claimants who receive less in standard housing benefit than they would have received in rent and rates assistance if the former Supplementary Benefit scheme had continued. It is assessed by the local authorities based on information supplied by the DHSS and paid with standard housing benefit. In theory it should be shown as a separate income-related cash benefit or included with Supplementary Benefit. However, in practice it is paid as an enhanced rebate and as such is virtually indistinguishable from other rebates and allowances. A negligible number of FES respondents were able to identify HBS separately. In cases where HBS was separately identified, the amounts were allocated to rent and rates rebates in proportion to the gross rent and rates payable by the household.

APPENDIX 3

Changes in the treatment of travel subsidies

In 1983, for the first time, the subsidy to bus travel and the cost of concessionary bus travel schemes for the elderly have been allocated to households. In addition, the method of allocating rail travel subsidy has been revised and, in line with the changed treatment in National Accounts, the proportion of rail subsidies allocable to households has been increased. The total effect of these changes has been to increase considerably the importance of travel subsidies in the analysis.

Bus subsidies and concessionary fares schemes

The main difficulty which had hitherto prevented an allocation of bus subsidies to households was the value to assign to concessionary fares for senior citizens under the various schemes in operation in different areas of the country. Apart from the difficulty inherent in the data, that is to say the problem of estimating at the household level how much these concessions were being used by the elderly, there were profound conceptual difficulties in putting a value on this usage with such a wide variety of schemes operated by local authorities. In addition, because it is the purpose of the analysis to allocate National Accounts totals for the household sector to individual households any valuation would have to sum to these totals. Data on concessionary fares were first collected by the FES in 1980, but it was not until several years' results were available and improved data-handling facilities had been developed that it was possible to test concepts by making experimental allocations. Broadly, the method used to allocate the cost of concessionary fares in 1983 was to derive the valuations for the various types of passes from a comparison of recorded expenditure in the FES on bus travel by holders of 'free' passes and 'half-fare' passes. Thus the valuations were in terms of expenditure on fares saved by pass holders. But the sum of these valuations could at the same time be taken as a measure of the loss of revenue by bus operators from the use of such passes. Happily, the grossed up estimates agree quite closely with the amounts of money paid over by public authorities and included in National Accounts to compensate bus operators taking part in these schemes. In addition, the relative values of the various types of passes derived from FES figures by the method outlined above agree broadly with estimates made by Department of Transport.

In order to retain, as far as was practicable, regional differences, three separate allocations were made for the GLC, the English Metropolitan areas and the rest of the United Kingdom. Using aggregates of bus receipts, bus subsidies and the cost of concessionary fares and after making allowances for the use of road passenger transport by tourists, the business sector and the institutional part of the personal sector, figures for the total cost of providing bus travel to households in these three areas was estimated. The estimated cost was then divided between households according to their usage of buses. This usage figure was derived from expenditure on road travel recorded in the FES plus the valuations assigned to concessionary passes held by household members. Thus, for each household the combined figure for bus subsidy and concessionary fares expenditure was found by deducting any payments made by the household from the estimated cost of providing bus travel to that household.

Rail travel subsidy

As mentioned above, the method of allocating passenger rail travel subsidy to households has been revised. Formerly, the basis of the allocation was simply to divide the total amount of subsidy appropriate to the household sector between households in proportion to their recorded expenditure on rail travel. The revised allocation, however, attempts to make some provision for the varying amounts of subsidy to rail travellers using inter-city, London and South East and other services. To this end the subsidy to London and South East services is allocated to households living in the area and subsidies to provincial services to households living outside the South East, in proportion to households' expenditure on rail fares as recorded in the FES. A single allocation of the subsidy to inter-city services was made by dividing that subsidy between all households in proportion to their recorded expenditure on rail fares. In making both these allocations allowances were made for the use of rail travel by the business sector, tourists and the institutional part of the personal sector.

The results

Tables 1 and 2 show how the two elements of travel subsidy differ in their impact on households. Rail travel subsidy rises strongly with original income amongst non-retired households, being associated both with levels of economic activity and with higher personal incomes (Table 1). The increase in the highest quintile group is most striking. Bus travel subsidy however is rather flat across the income groups of non-retired households. Taken together travel subsidies rise quite strongly with income.

The impact of travel subsidies also differ according to household composition (Table 2). Rail travel subsidy predominantly benefits non-retired households. On the other hand bus subsidy is of particular benefit to retired households who receive, on average, about twice as much subsidy as non-retired households despite their much smaller average size. This is primarily due to the large amount of concessionary fares expenditure included in the allocation of the bus subsidy.

Average value of travel subsidies for each quintile group of non-retired households ranked by original income, 1983

TABLE 1

	Quintile group					
	Bottom	2nd	3rd	4th	Top	Total
£ per household						
Rail subsidies ..	21	24	36	44	100	45
Bus subsidies ..	29	32	27	25	31	29
Total	49	56	64	69	132	74

Average value of travel subsidies for each household type, 1983

TABLE 2

	Retired		Non-retired								
	1 adult	2 or more adults	1 adult	2 adults	3 or more adults	1 adult with children	2 adults 1 child	2 adults 2 children	2 adults 3 or more children	3 or more adults with children	All households
£ per household											
Rail subsidies	10	21	44	53	66	15	36	31	22	59	38
Bus subsidies	40	67	22	32	50	26	19	14	20	43	35
Total	51	88	66	86	115	41	55	45	42	102	73

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General government expenditure in 1983

TABLE 1

	£ million	*Percentage of total expenditure*
Allocated expenditure		
Allocated cash benefits		
Social security benefits[1]		
National Insurance (contributory)		
Retirement	14 370	*10.4*
Widows and guardians	770	*0.6*
Unemployment	1 540	*1.1*
Sickness/Statutory sick pay	740	*0.5*
Invalidity	1 860	*1.3*
Maternity	170	*0.1*
Disablement	380	*0.3*
Other	180	*0.1*
Non-contributory		
Child benefit	4 330	*3.1*
Supplementary benefit	5 840	*4.2*
War pension	520	*0.4*
Other	1 300	*0.9*
Student maintenance grants[2]	700	*0.5*
Rent rebates and rent allowances	2 250	*1.6*
Allocated benefits in kind[1]		
Health services	15 080	*10.9*
Education	14 150	*10.2*
School meals, milk, welfare foods	560	*0.4*
Option mortgage scheme	90	*0.1*
Housing subsidy	1 560	*1.1*
Travel subsidies[3]	1 510	*1.1*
	67 900	*49.1*
Unallocated expenditure		
Other current expenditure on social, environmental and protective services		
Social services		
Social security benefits administration	1 470	*1.1*
Personal social services	2 680	*1.9*
Other	50	—
Environmental services		
Housing	260	*0.2*
Water, sewerage, land drainage and public health	1 350	*1.0*
Parks, etc	860	*0.6*
Miscellaneous local authority services	1 250	*0.9*
Libraries, museums, and arts	750	*0.5*
Protective services		
Police	2 950	*2.1*
Parliament, courts, and prisons	1 690	*1.2*
Fire services	640	*0.5*
	13 950	*10.1*
Capital expenditure on social, environmental and protective services		
Social services	1 690	*1.2*
Environmental services		
Housing	2 500	*1.8*
Other	1 510	*1.1*
Protective services	260	*0.2*
	5 960	*4.3*
Other current expenditure		
Defence and external relations	17 910	*12.9*
Roads, transport and communications	2 370	*1.7*
Industry, trade, agriculture, research and employment	7 230	*5.2*
Other	1 950	*1.4*
	29 460	*21.3*
Other capital expenditure	4 240	*3.1*
Debt interest	14 660	*10.6*
Non-trading capital consumption	2 140	*1.5*
Total expenditure	138 310	*100.0*

[1] Including benefits to people not living in private households.
[2] Estimated.
[3] Including concessionary fares expenditure.

Source: *United Kingdom National Accounts, 1984 Edition*, Table 9.4

Financing of general government expenditure in 1983[1]

TABLE 2

	£ million	*Percentage of total financing*
Allocated financing[2]		
Income tax[3]	31 370	*22.7*
Employees' and self-employed NI contributions	10 010	*7.2*
Indirect taxes		
Domestic rates (net of rebates)	5 460	*3.9*
Taxes on final goods and services		
VAT	11 790	*8.5*
Duty on beer	1 620	*1.2*
Duty on wines and spirits	1 870	*1.3*
Duty on tobacco	3 730	*2.7*
Duty on hydrocarbon oils	2 690	*1.9*
Car tax, vehicle excise duty and driving licences	1 640	*1.2*
Other	1 390	*1.0*
Taxes and NI contributions on intermediate goods and services		
Employers' NI contributions	3 440	*2.5*
Commercial and industrial rates	3 130	*2.3*
Duty on hydrocarbon oils	1 410	*1.0*
VAT	720	*0.5*
National insurance surcharge	620	*0.4*
Motor vehicle duty and driving licences	410	*0.3*
Other	470	*0.3*
	81 770	*59.1*
Unallocated financing		
Employers' NI contributions not allocated	7 190	*5.2*
Indirect taxes		
Commercial and industrial rates not allocated	3 970	*2.9*
Taxes on final goods and services not allocated		
VAT	3 640	*2.6*
Duty on hydrocarbon oils	1 390	*1.0*
National insurance surcharge	1 290	*0.9*
Other	2 630	*1.9*
Other taxes		
Corporation tax	5 640	*4.1*
Petroleum revenue tax[4]	6 120	*4.4*
Taxes on capital	1 480	*1.1*
Other receipts[5]	11 150	*8.1*
Government borrowing requirement	12 040	*8.7*
Total financing	138 310	*100.0*

[1] See Appendix 1 for notes on definitions for these items.
[2] Including taxes paid by people not living in private households.
[3] Net of tax relief at source on mortgage interest and life assurance premiums.
[4] Including supplementary petroleum duty.
[5] Receipts of rent, royalties and licence fees on oil and gas production, interest, dividends, trading income and miscellaneous transactions (net).

Source: *United Kingdom National Accounts, 1984 Edition*, Table 9.1

Average incomes, taxes and benefits, 1983

By decile groups of households ranked by original and disposable incomes

TABLE 3

£ per year

	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
(i) Ranked by original income											
All households											
Decile points (£)		*18*	*623*	*2 418*	*5 100*	*6 904*	*8 589*	*10 450*	*12 816*	*16 656*	
Number of households in the sample	697	698	697	697	697	698	697	697	698	697	6 973
Original income	1	241	1 360	3 808	6 011	7 742	9 515	11 617	14 491	22 788	7 757
Direct benefits in cash											
Age-related	1 083	1 756	1 627	925	459	324	243	170	187	117	689
Child-related	191	71	92	186	271	319	298	313	263	259	226
Income-related	1 668	811	563	518	303	260	128	144	133	129	466
Other	274	187	321	275	166	103	107	67	74	46	162
Gross income	3 218	3 065	3 962	5 711	7 210	8 748	10 290	12 311	15 149	23 339	9 300
Income tax[1] and Employees' NIC	2	15	152	674	1 227	1 594	2 081	2 602	3 380	5 650	1 738
Disposable income	3 216	3 050	3 810	5 036	5 983	7 154	8 209	9 709	11 768	17 690	7 562
Domestic rates[2]	231	199	241	282	295	327	341	370	404	489	318
Taxes on final goods and services	449	413	608	850	1 044	1 232	1 322	1 516	1 860	2 470	1 176
Intermediate taxes	201	186	251	316	373	429	463	538	630	904	429
Income after cash benefits and all taxes	2 335	2 252	2 710	3 588	4 271	5 166	6 084	7 285	8 874	13 827	5 639
Benefits in kind											
Education	456	263	310	433	574	730	638	788	751	817	576
National health service	714	784	721	673	648	664	633	603	612	620	667
Housing subsidy	158	105	75	86	75	64	52	39	27	18	70
Travel subsidies	48	54	69	64	56	59	68	67	92	150	73
Other allocated benefits	65	25	32	34	32	31	30	31	29	20	33
Final income	3 776	3 483	3 917	4 878	5 657	6 714	7 504	8 813	10 386	15 453	7 058
(ii) Ranked by disposable income											
All households											
Decile points (£)		*2 657*	*3 613*	*4 486*	*5 520*	*6 658*	*7 762*	*8 982*	*10 684*	*13 455*	
Number of households in the sample	697	698	697	697	697	698	697	697	698	697	6 973
Original income	412	890	1 860	3 748	5 802	7 567	9 202	11 433	14 317	22 342	7 757
Direct benefits in cash											
Age-related	1 204	1 448	1 302	789	560	407	388	285	284	223	689
Child-related	27	53	145	247	301	301	322	311	276	279	226
Income-related	514	732	914	699	467	339	310	230	225	226	466
Other	73	127	179	268	214	217	168	142	129	103	162
Gross income	2 232	3 250	4 399	5 750	7 345	8 831	10 390	12 402	15 231	23 172	9 300
Income tax[1] and Employees' NIC	136	149	366	754	1 248	1 623	2 031	2 607	3 327	5 135	1 738
Disposable income	2 096	3 101	4 033	4 996	6 097	7 208	8 359	9 795	11 903	18 037	7 562
Domestic rates[2]	188	223	256	281	307	324	343	367	405	485	318
Taxes on final goods and services	317	434	658	854	1 056	1 184	1 314	1 628	1 863	2 456	1 176
Intermediate taxes	167	193	252	316	378	418	467	561	633	906	429
Income after cash benefits and all taxes	1 424	2 253	2 867	3 545	4 355	5 283	6 235	7 239	9 002	14 190	5 639
Benefits in kind											
Education	106	145	296	549	628	643	752	803	864	973	576
National health service	559	687	722	674	699	676	671	648	656	682	667
Housing subsidy	78	108	113	99	89	64	62	34	34	18	70
Travel subsidies	44	58	61	56	60	67	62	66	89	162	73
Other allocated benefits	9	13	40	59	46	37	36	30	36	23	33
Final income	2 221	3 264	4 098	4 982	5 878	6 770	7 819	8 820	10 681	16 049	7 058

[1] Net of tax relief at source on mortgage interest and life assurance premiums. See Appendix 1.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By quintile groups of original income within household type

TABLE 4

£ per year

	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(i) 1 adult retired						
Quintile points (£)		—	*86*	*500*	*1 378*	
Number of households in the sample		365[1]	183	182	183	913
Original income		13	240	888	3 784	989
Direct benefits in cash						
Age-related		1 688	1 739	1 706	1 661	1 696
Child-related		—	—	—	—	—
Income-related		719	359	151	26	395
Other		65	46	81	112	74
Gross income		2 485	2 384	2 827	5 582	3 154
Income tax[2] and Employees' NIC		−2	23	115	897	207
Disposable income		2 487	2 360	2 712	4 685	2 947
Domestic rates[3]		199	179	212	352	228
Taxes on final goods and services		212	241	302	533	300
Intermediate taxes		147	135	178	256	172
Income after cash benefits and all taxes		1 929	1 805	2 020	3 545	2 246
Benefits in kind						
Education		1	—	—	4	1
National health service		717	675	640	596	669
Housing subsidy		133	98	64	41	94
Travel subsidies		46	42	59	60	51
Other allocated benefits		—	—	—	—	—
Final income		2 826	2 621	2 783	4 245	3 061
(ii) 2 or more adults retired						
Quintile points (£)		*130*	*633*	*1 522*	*4 317*	
Number of households in the sample	164	164	164	164	164	820
Original income	29	354	1 011	2 662	8 614	2 534
Direct benefits in cash						
Age-related	2 696	2 739	2 589	2 552	2 288	2 573
Child-related	—	7	15	—	4	5
Income-related	623	372	263	77	64	280
Other	341	313	604	511	329	419
Gross income	3 688	3 785	4 483	5 802	11 298	5 811
Income tax[2] and Employees' NIC	−6	20	84	424	2 188	542
Disposable income	3 693	3 765	4 399	5 378	9 110	5 269
Domestic rates[3]	206	205	238	316	431	279
Taxes on final goods and services	570	551	710	866	1 232	786
Intermediate taxes	215	226	256	336	472	301
Income after cash benefits and all taxes	2 703	2 783	3 195	3 860	6 975	3 903
Benefits in kind						
Education	—	17	63	—	47	25
National health service	1 147	1 084	1 029	1 046	1 013	1 064
Housing subsidy	131	104	83	49	36	81
Travel subsidies	85	77	70	87	121	88
Other allocated benefits	—	1	6	—	—	1
Final income	4 066	4 067	4 448	5 042	8 192	5 163

[1] More than a fifth of these households had no original income, so the bottom group is undefined.
[2] After tax relief at source on mortgage interest and life assurance premiums.
[3] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By quintile groups of original income within household type

TABLE 4 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(iii) 1 adult non-retired						
Quintile points (£)		*647*	*3 844*	*5 995*	*8 700*	
Number of households in the sample	133	133	133	134	133	666
Original income	118	2 218	5 021	7 207	12 347	5 385
Direct benefits in cash						
Age-related	339	520	269	106	95	265
Child-related	—	—	—	—	—	—
Income-related	1 325	464	124	24	2	387
Other	361	81	30	21	8	100
Gross income	2 143	3 283	5 443	7 358	12 452	6 138
Income tax[1] and Employees' NIC	10	356	1 201	1 843	3 226	1 328
Disposable income	2 133	2 927	4 242	5 515	9 226	4 810
Domestic rates[2]	191	207	252	304	358	263
Taxes on final goods and services	421	478	703	902	1 231	747
Intermediate taxes	162	196	253	326	442	276
Income after cash benefits and all taxes	1 359	2 046	3 034	3 984	7 195	3 524
Benefits in kind						
Education	340	244	95	59	60	160
National health service	197	244	193	181	180	199
Housing subsidy	104	71	62	56	38	66
Travel subsidies	33	49	62	98	87	66
Other allocated benefits	3	—	5	3	—	2
Final income	2 036	2 653	3 450	4 381	7 560	4 017
(iv) 2 adults non-retired						
Quintile points (£)		*5 023*	*7 935*	*10 663*	*14 649*	
Number of households in the sample	275	275	276	275	275	1 376
Original income	2 443	6 476	9 346	12 511	20 967	10 348
Direct benefits in cash						
Age-related	939	502	250	155	74	384
Child-related	25	7	6	3	—	8
Income-related	1 002	218	105	58	56	288
Other	363	156	83	43	20	133
Gross income	4 772	7 359	9 790	12 770	21 117	11 160
Income tax[1] and Employees' NIC	387	1 298	2 051	2 966	5 355	2 411
Disposable income	4 384	6 061	7 739	9 804	15 762	8 749
Domestic rates[2]	245	300	316	356	470	338
Taxes on final goods and services	798	1 082	1 378	1 523	1 973	1 351
Intermediate taxes	277	372	439	501	726	463
Income after cash benefits and all taxes	3 064	4 308	5 606	7 424	12 592	6 598
Benefits in kind						
Education	189	76	47	52	105	94
National health service	557	502	429	386	375	450
Housing subsidy	92	54	40	33	13	46
Travel subsidies	60	54	76	88	150	86
Other allocated benefits	1	5	16	9	—	6
Final income	3 962	4 998	6 213	7 992	13 236	7 279

[1] After tax relief at source on mortgage interest and life assurance premiums.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By quintile groups of original income within household type

TABLE 4 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(v) 3 or more adults, with no children						
Quintile points (£)		*7 569*	*11 037*	*14 663*	*19 133*	
Number of households in the sample	142	141	142	141	142	708
Original income	4 549	9 429	12 966	16 889	24 566	13 681
Direct benefits in cash						
Age-related	687	667	356	222	179	422
Child-related	72	68	62	66	67	67
Income-related	1 633	592	301	257	307	619
Other	638	338	176	152	95	280
Gross income	7 579	11 094	13 860	17 586	25 215	15 069
Income tax[2] and Employees' NIC	849	1 939	2 897	3 965	6 432	3 217
Disposable income	6 730	9 155	10 963	13 620	18 783	11 851
Domestic rates[3]	285	340	353	363	444	357
Taxes on final goods and services	1 388	1 697	2 093	2 473	3 092	2 149
Intermediate taxes	461	553	637	726	979	671
Income after cash benefits and all taxes	4 596	6 566	7 880	10 058	14 268	8 675
Benefits in kind						
Education	1 327	726	423	525	845	770
National health service	712	748	706	656	700	704
Housing subsidy	108	73	47	38	33	60
Travel subsidies	90	104	70	83	230	115
Other allocated benefits	9	7	6	7	5	7
Final income	6 842	8 223	9 132	11 367	16 080	10 330
(vi) 1 adult with children						
Quintile points (£)		—	*80*	*1 248*	*4 906*	
Number of households in the sample		91[1]	45	46	45	227
Original income		5	579	3 023	7 868	2 289
Direct benefits in cash						
Age-related		28	111	97	38	61
Child-related		585	617	685	586	612
Income-related		2 647	2 393	877	189	1 751
Other		77	120	13	16	61
Gross income		3 343	3 821	4 695	8 697	4 773
Income tax[2] and Employees' NIC		30	−5	216	1 122	277
Disposable income		3 313	3 825	4 479	7 575	4 496
Domestic rates[3]		317	274	232	337	295
Taxes on final goods and services		370	478	585	997	559
Intermediate taxes		215	231	258	429	269
Income after cash benefits and all taxes		2 411	2 843	3 404	5 812	3 372
Benefits in kind						
Education		912	1 510	1 117	991	1 088
National health service		541	488	427	419	483
Housing subsidy		220	142	124	88	159
Travel subsidies		41	24	38	61	41
Other allocated benefits		187	260	144	69	169
Final income		4 312	5 267	5 253	7 439	5 312

[1] More than a fifth of these households had no original income, so the bottom group is undefined.
[2] After tax relief at source on mortgage interest and life assurance premiums.
[3] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By quintile groups of original income within household type

TABLE 4 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(vii) 2 adults, 1 child						
Quintile points (£)		*5 494*	*7 758*	*9 629*	*13 046*	
Number of households in the sample	117	117	118	117	117	586
Original income	2 416	6 664	8 690	11 304	17 972	9 408
Direct benefits in cash						
Age-related	150	41	—	—	29	44
Child-related	364	375	371	355	352	363
Income-related	1 716	231	114	123	32	443
Other	317	64	64	25	36	101
Gross income	4 964	7 376	9 240	11 807	18 421	10 359
Income tax[1] and Employees' NIC	357	1 207	1 740	2 503	4 227	2 006
Disposable income	4 606	6 169	7 499	9 304	14 193	8 353
Domestic rates[2]	271	301	330	378	457	347
Taxes on final goods and services	849	1 125	1 177	1 414	1 767	1 266
Intermediate taxes	312	369	412	520	691	461
Income after cash benefits and all taxes	3 174	4 374	5 581	6 992	11 278	6 279
Benefits in kind						
Education	577	445	392	459	528	480
National health service	793	712	704	650	673	706
Housing subsidy	151	82	56	45	18	70
Travel subsidies	78	26	28	66	76	55
Other allocated benefits	52	12	30	26	27	29
Final income	4 826	5 651	6 790	8 238	12 600	7 620
(viii) 2 adults, 2 children						
Quintile points (£)		*6 300*	*8 238*	*10 573*	*13 514*	
Number of households in the sample	163	163	164	163	163	816
Original income	3 335	7 295	9 351	11 880	19 191	10 209
Direct benefits in cash						
Age-related	23	—	11	—	—	7
Child-related	659	628	637	622	615	632
Income-related	1 392	102	55	13	9	314
Other	177	33	43	8	19	56
Gross income	5 586	8 057	10 097	12 522	19 833	11 218
Income tax[1] and Employees' NIC	492	1 424	2 049	2 777	4 162	2 181
Disposable income	5 094	6 633	8 048	9 745	15 671	9 037
Domestic rates[2]	268	323	355	415	520	376
Taxes on final goods and services	935	1 119	1 339	1 472	2 001	1 373
Intermediate taxes	343	403	487	562	855	530
Income after cash benefits and all taxes	3 549	4 789	5 867	7 295	12 296	6 758
Benefits in kind						
Education	1 040	1 024	1 139	1 247	1 238	1 138
National health service	878	828	778	679	651	763
Housing subsidy	108	57	43	17	3	46
Travel subsidies	34	23	45	39	85	45
Other allocated benefits	141	58	45	52	52	70
Final income	5 750	6 779	7 916	9 331	14 325	8 819

[1] After tax relief at source on mortgage interest and life assurance premiums.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By quintile groups of original income within household type

TABLE 4 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(ix) 2 adults, 3 or more children						
Quintile points (£)		*3 428*	*6 760*	*9 039*	*12 821*	
Number of households in the sample	72	71	72	71	72	358
Original income	804	5 424	7 968	10 784	18 160	8 631
Direct benefits in cash						
Age related	—	—	—	—	—	—
Child-related	1 079	970	979	984	988	996
Income-related	3 195	448	94	70	71	779
Other	280	169	40	63	8	112
Gross income	5 359	7 012	9 082	11 901	19 207	10 518
Income tax[1] and Employees' NIC	82	896	1 662	2 345	4 383	1 875
Disposable income	5 277	6 116	7 420	9 556	14 824	8 643
Domestic rates[2]	297	281	322	382	487	354
Taxes on final goods and services	859	996	1 215	1 252	1 747	1 214
Intermediate taxes	328	408	477	525	756	499
Income after cash benefits and all taxes	3 793	4 431	5 407	7 396	11 834	6 576
Benefits in kind						
Education	2 474	1 999	2 062	2 102	1 875	2 103
National health service	1 093	1 000	922	921	977	983
Housing subsidies	233	93	149	48	15	108
Travel subsidies	36	32	30	20	90	42
Other allocated benefits	420	145	76	98	85	165
Final income	8 049	7 700	8 646	10 584	14 876	9 976
(x) 3 or more adults, with children						
Quintile points (£)		*7 225*	*10 308*	*12 969*	*16 708*	
Number of households in the sample	101	100	101	100	101	503
Original income	3 962	8 826	11 610	14 621	22 068	12 219
Direct benefits in cash						
Age-related	238	314	111	257	54	194
Child-related	699	557	590	480	561	578
Income-related	2 196	646	363	280	218	742
Other	650	219	130	80	27	222
Gross income	7 744	10 563	12 804	15 718	22 929	13 955
Income tax[1] and Employees' NIC	641	1 738	2 429	3 191	5 062	2 613
Disposable income	7 103	8 825	10 375	12 527	17 866	11 342
Domestic rates[2]	273	315	348	380	507	365
Taxes on final goods and services	1 462	1 427	1 791	2 185	2 894	1 952
Intermediate taxes	498	524	653	726	1 081	696
Income after cash benefits and all taxes	4 870	6 569	7 582	9 237	13 385	8 328
Benefits in kind						
Education	2 235	1 924	2 075	1 842	1 915	1 999
National health service	908	920	759	814	811	842
Housing subsidy	119	63	62	45	30	64
Travel subsidies	74	81	73	141	140	102
Other allocated benefits	171	73	76	61	39	84
Final income	8 377	9 620	10 627	12 140	16 320	11 419

[1] After tax relief at source on mortgage interest and life assurance premiums.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Average incomes, taxes and benefits, 1983

By decile groups of households ranked by original income

TABLE 5

£ per year

	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
Decile points (£)	*18*	*623*	*2 418*	*5 100*	*6 904*	*8 589*	*10 450*	*12 816*	*16 656*		
Number of households in the sample	697	698	697	697	697	698	697	697	698	697	6 973
Original income											
Earnings of main earner	—	32	394	2 392	4 781	5 976	7 126	8 349	9 570	14 878	5 350
Other earnings	—	—	12	137	359	927	1 573	2 502	3 783	6 428	1 572
Occupational pensions, annuities	—	89	544	725	452	445	386	321	482	400	384
Investment income	1	97	309	436	334	302	354	318	496	876	352
Other income	—	23	101	118	85	91	76	128	161	206	99
Total	1	241	1 360	3 808	6 011	7 742	9 515	11 617	14 491	22 788	7 757
Direct benefits in cash											
Age-related											
Retirement and old persons' pension	1 038	1 689	1 547	849	376	270	225	154	162	111	642
Widows' benefit	38	56	70	69	80	53	16	16	24	6	43
Christmas bonus for pensioners, etc	7	11	10	6	3	2	2	1	1	1	4
Child-related											
Child benefit	187	70	90	174	255	306	282	302	256	252	217
Maternity allowance	3	1	1	10	14	11	14	10	6	6	8
Maternity grant	1	—	—	1	2	2	2	1	1	1	1
Income-related											
Supplementary benefit	958	381	230	199	113	104	42	53	49	46	217
Unemployment benefit/TOPS, etc, awards	74	50	123	150	94	105	64	60	66	44	83
Rent rebates and allowances	590	331	168	115	57	25	6	6	2	2	130
Student maintenance grants	45	44	34	30	30	22	14	23	16	37	29
Family income supplement	2	5	9	24	8	3	2	2	—	—	6
Other											
Invalidity pension and allowance	168	85	162	132	67	41	41	29	19	8	75
Sickness, industrial injury benefit	13	7	14	32	25	25	22	12	16	11	18
Attendance allowance	34	20	27	20	12	13	5	4	9	6	15
Disablement and war disability pension	10	9	26	13	12	2	8	1	4	2	9
Industrial injury disablement benefit	4	11	38	22	5	7	11	1	8	7	11
Mobility allowance	17	8	16	11	11	4	7	3	5	4	9
Job release allowance	5	16	23	18	18	3	—	4	—	—	9
Statutory sick pay	—	—	—	7	7	6	6	6	6	7	4
Non contributory invalidity pensions	15	14	6	8	6	—	4	4	1	—	6
Miscellaneous cash benefits	9	16	7	13	4	2	3	3	3	—	6
Total	3 216	2 824	2 602	1 903	1 200	1 006	775	694	657	551	1 543
Gross income	3 218	3 065	3 962	5 711	7 210	8 748	10 290	12 311	15 149	23 339	9 300
Income tax and Employees' NIC											
Income tax	4	19	140	523	911	1 213	1 604	2 005	2 678	4 725	1 382
Employees' national insurance contributions	4	3	22	179	373	478	602	751	877	1 171	446
Less: Tax relief at source[1]	6	7	9	27	57	97	126	154	175	246	90
Total	2	15	152	674	1 227	1 594	2 081	2 602	3 380	5 650	1 738
Disposable income	3 216	3 050	3 810	5 036	5 983	7 154	8 209	9 709	11 768	17 690	7 562
Indirect taxes											
Domestic rates[2]	231	199	241	282	295	327	341	370	404	489	318
Taxes on final goods and services											
VAT	169	163	253	365	453	524	598	691	860	1 225	530
Duty on tobacco	144	100	126	156	180	210	193	184	227	237	176
Duty on beer	25	22	36	52	76	95	87	103	131	162	79
Duty on wines	5	5	9	15	19	22	25	30	40	77	25
Duty on spirits	16	20	29	44	49	56	53	72	91	138	57
Duty on hydrocarbon oils	20	21	42	75	97	127	146	189	207	262	119
Car tax	1	2	4	13	14	15	24	26	41	45	19
Vehicle excise duty	9	14	28	38	49	59	69	78	87	101	53
Television licences	25	31	34	35	38	40	41	42	43	44	37
Stamp duty on house purchase	1	1	2	4	5	7	10	16	21	38	11
Customs' duties	11	10	14	19	24	26	29	34	42	52	26
Betting taxes	12	14	18	20	23	32	29	30	41	51	27
Other	11	10	12	14	17	18	20	20	26	36	18
Intermediate taxes											
Commercial and industrial rates	82	59	79	99	117	136	146	171	199	287	135
Employer's NI contributions	77	72	98	125	147	170	184	215	252	363	170
Duty on hydrocarbon oils	30	26	34	43	50	57	60	69	81	115	56
Vehicle excise duty	8	7	9	12	14	16	17	19	23	33	16
Other	24	23	31	38	46	52	56	65	76	106	52
Total indirect taxes	881	798	1 100	1 448	1 712	1 988	2 126	2 424	2 894	3 863	1 923
Income after cash benefits and all taxes	2 335	2 252	2 710	3 588	4 271	5 166	6 084	7 285	8 874	13 827	5 639
Benefits in kind											
Education	456	263	310	433	574	730	638	788	751	817	576
National health service	714	784	721	673	648	664	633	603	612	620	667
Housing subsidy	158	105	75	86	75	64	52	39	27	18	70
Rail travel subsidy	8	4	25	22	22	30	42	42	64	118	38
Bus travel subsidy	41	50	43	42	34	28	25	25	28	33	35
Welfare foods	64	25	31	31	27	25	19	25	23	18	29
Option mortgage subsidy	1	—	2	3	5	5	11	6	6	2	4
Total	1 442	1 231	1 207	1 290	1 386	1 548	1 420	1 528	1 512	1 626	1 419
Final income	3 776	3 483	3 917	4 878	5 657	6 714	7 504	8 813	10 386	15 453	7 058

[1] On mortgage interest and life assurance premiums.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc charges.

Average incomes, taxes and benefits, 1983

By decile groups of households ranked by gross income

TABLE 6

£ per year

	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
Decile points (£)		*2 717*	*3 749*	*4 956*	*6 492*	*8 053*	*9 597*	*11 313*	*13 621*	*17 261*	
Number of households in the sample	697	698	697	697	697	698	697	697	698	697	6 973
Original income	289	646	1 444	3 715	5 888	7 633	9 346	11 526	14 391	22 696	7 757
Direct benefits in cash											
Age-related	1 229	1 545	1 376	761	510	380	354	280	275	182	689
Child-related	28	62	173	249	281	307	316	309	271	267	226
Income-related	561	828	1 034	700	405	315	247	191	190	187	466
Other	71	132	273	304	215	175	148	102	119	79	162
Total	1 889	2 567	2 855	2 014	1 412	1 177	1 065	881	855	714	1 543
Gross income	2 178	3 213	4 298	5 729	7 300	8 811	10 411	12 407	15 245	23 410	9 300
Income tax and Employees' NIC											
Income tax	29	74	164	516	864	1 228	1 570	2 035	2 616	4 725	1 382
National insurance contributions	11	17	53	200	360	479	593	733	864	1 147	446
less: Tax relief at source[1]	5	8	16	35	63	97	120	148	170	242	90
Total	35	84	202	681	1 161	1 610	2 043	2 620	3 311	5 630	1 738
Disposable income	2 142	3 129	4 097	5 048	6 139	7 201	8 368	9 787	11 935	17 780	7 562
Indirect taxes											
Domestic rates[2]	185	226	256	279	303	326	338	367	408	491	318
Taxes on final goods and services											
VAT	129	179	253	364	443	533	589	726	864	1 222	530
Duty on tobacco	68	103	161	178	187	205	179	203	225	247	176
Duty on beer	15	23	39	53	77	86	90	110	132	164	79
Duty on wines	4	7	11	13	17	25	23	30	41	77	25
Duty on spirits	12	22	31	37	48	59	45	77	100	137	57
Duty on hydrocarbon oils	15	24	43	76	97	121	156	187	208	259	119
Car tax	1	2	4	10	15	16	23	30	37	46	19
Vehicle excise duty	10	17	27	37	48	57	72	76	87	101	53
Television licences	25	30	32	36	38	40	41	42	43	44	37
Stamp duty on house purchase	1	1	2	3	5	8	10	16	22	38	11
Customs' duties	8	11	14	19	23	26	29	35	42	52	26
Betting taxes	8	11	20	24	27	28	32	28	43	51	27
Other	8	11	13	15	16	17	20	21	27	36	18
Intermediate taxes											
Commercial and industrial rates	51	62	80	100	118	134	149	173	202	287	135
Employers' NI contributions	63	77	98	126	147	168	187	218	255	363	170
Duty on hydrocarbon oils	23	27	34	43	50	56	62	70	82	115	56
Vehicle excise duty	6	7	9	12	14	15	17	19	23	33	16
Other	19	24	31	39	45	52	57	66	77	106	52
Total indirect taxes	651	865	1 157	1 466	1 719	1 970	2 121	2 495	2 918	3 871	1 923
Income after cash benefits and all taxes	1 491	2 264	2 940	3 582	4 420	5 230	6 247	7 292	9 016	13 909	5 639
Benefits in kind											
Education	111	175	379	547	607	667	761	828	824	862	576
National health service	569	718	752	704	665	657	661	643	657	648	667
Housing subsidy	86	112	117	91	77	69	59	37	33	19	70
Rail travel subsidy	8	14	17	23	20	27	44	43	67	116	38
Bus travel subsidy	34	46	46	38	34	33	27	28	29	34	35
Welfare foods	8	17	51	55	33	27	28	25	23	21	29
Option mortgage subsidy	1	1	1	4	5	8	7	8	5	2	4
Total	817	1 082	1 362	1 463	1 439	1 487	1 588	1 611	1 637	1 702	1 419
Final income	2 308	3 346	4 302	5 044	5 859	6 718	7 834	8 904	10 653	15 611	7 058

[1] On mortgage interest and life assurance premiums.
[2] Net of rate rebates and the rates element of housing benefit supplement, but including water, etc. charges.

Distribution of households co-operating in the Family Expenditure Survey, 1983

By decile groups of households ranked by original, gross, disposable, post-tax[1] and final incomes

TABLE 7

	Retired households		Non-retired households								
	1 adult	2 or more adults	1 adult	2 adults	3 or more adults	1 adult with children	2 adults 1 child	2 adults 2 children	2 adults 3 or more children	3 or more adults with children	All households
Decile groups of original income											
Bottom	270	100	78	40	17	82	29	27	42	12	697
2nd	313	226	52	27	9	36	10	13	5	7	698
3rd	209	245	82	59	8	32	18	20	12	12	697
4th	85	113	124	157	28	35	49	47	34	25	697
5th	15	47	117	173	55	20	78	103	53	36	697
6th	6	34	76	154	60	7	107	148	51	55	698
7th	10	16	60	194	82	8	92	124	49	62	697
8th	2	19	39	195	88	3	78	146	39	88	697
9th	3	14	21	207	143	3	70	91	46	100	698
Top	—	6	17	170	218	1	55	97	27	106	697
Total	913	820	666	1 376	708	227	586	816	358	503	6 973
Decile groups of gross income											
Bottom	475	10	150	23	1	32	3	2	1	—	697
2nd	280	206	68	51	2	58	18	13	—	2	698
3rd	81	268	70	83	20	70	36	37	28	4	697
4th	38	133	121	137	18	29	73	69	53	26	697
5th	14	63	96	189	42	18	76	115	57	27	697
6th	8	45	60	176	58	7	108	133	53	50	698
7th	6	37	42	187	90	7	79	118	53	78	697
8th	8	25	24	177	105	2	78	145	37	96	697
9th	3	20	20	194	151	3	63	87	47	110	698
Top	—	13	15	159	221	1	52	97	29	110	697
Total	913	820	666	1 376	708	227	586	816	358	503	6 973
Decile groups of disposable income											
Bottom	462	12	158	25	2	31	4	2	1	—	697
2nd	305	169	99	48	1	47	14	10	3	2	698
3rd	75	250	100	96	13	66	42	39	13	3	697
4th	33	141	103	143	23	45	73	72	49	15	697
5th	13	85	81	175	28	11	85	123	65	31	697
6th	7	58	48	201	63	11	87	126	61	36	698
7th	9	43	25	183	80	6	84	132	51	84	697
8th	6	24	23	176	114	5	82	131	41	95	697
9th	3	26	15	181	165	2	61	86	44	115	698
Top	—	12	14	148	219	3	54	95	30	122	697
Total	913	820	666	1 376	708	227	586	816	358	503	6 973
Decile groups of post-tax income[1]											
Bottom	344	49	162	54	9	35	16	19	5	4	697
2nd	356	118	94	56	4	30	16	14	8	2	698
3rd	104	212	98	100	23	57	40	41	14	8	697
4th	56	173	92	126	19	51	61	62	40	17	697
5th	23	87	78	154	34	23	84	115	64	35	697
6th	10	60	56	195	77	10	75	125	48	42	698
7th	7	40	30	187	87	8	92	122	50	74	697
8th	7	33	21	170	103	7	89	124	43	100	697
9th	5	29	17	178	162	2	53	93	51	108	698
Top	1	19	18	156	190	4	60	101	35	113	697
Total	913	820	666	1 376	708	227	586	816	358	503	6 973
Decile groups of final income											
Bottom	330	39	221	61	8	16	9	11	—	2	697
2nd	348	102	102	90	8	27	15	4	1	1	698
3rd	152	211	104	117	17	36	37	17	3	3	697
4th	43	190	84	177	22	49	76	46	6	4	697
5th	18	91	64	217	53	39	86	89	19	21	697
6th	8	61	33	193	71	28	92	141	40	31	698
7th	7	52	22	155	93	11	98	139	76	44	697
8th	5	26	15	140	121	12	67	154	65	92	697
9th	1	33	6	121	143	4	54	112	90	134	698
Top	1	15	15	105	172	5	52	103	58	171	697
Total	913	820	666	1 376	708	227	586	816	358	503	6 973

[1] Income after cash benefits and all taxes but before benefits in kind.

Average incomes, taxes and benefits by life-cycle categories, 1983

Typical life-cycle categories

TABLE 8a

	Single adult aged under 30	Married couples non-retired					Married couple retired	Single adult retired
		no children head aged under 30	youngest child under 5	youngest child 5 or over	with young dependant aged 16–24	no children head aged 45–64		
Number of households in the sample	*167*	*243*	*921*	*785*	*287*	*577*	*698*	*911*
Average per household (£ per year)								
Original income								
Wages and salaries	4 503	10 291	7 310	9 049	12 713	8 152	78	5
Other income	504	1 366	1 671	1 620	1 736	2 137	2 375	984
Total	5 007	11 658	8 981	10 669	14 449	10 290	2 452	989
Cash benefits								
Contributory								
Retirement pension	—	—	—	8	57	106	2 479	1 654
Sickness/injury-related	20	25	64	53	140	154	226	39
Unemployment benefit	83	61	112	68	59	92	7	1
Other	8	11	61	5	1	6	17	48
Non-contributory								
Supplementary benefit	173	133	251	176	180	67	63	114
Child benefit	—	—	600	568	537	—	—	—
Sickness/disablement-related	—	8	13	20	31	38	69	15
Other	322	92	138	77	200	51	240	293
Total	606	331	1 238	975	1 204	513	3 101	2 164
Gross income	5 613	11 988	10 219	11 644	15 653	10 803	5 553	3 154
Income tax (net)	851	1 714	1 308	1 733	2 462	1 896	536	206
National insurance contributions	342	809	552	641	859	542	3	—
Total	1 194	2 523	1 861	2 374	3 320	2 437	538	207
Disposable income	4 419	9 465	8 359	9 270	12 333	8 366	5 015	2 947
Indirect taxes								
Domestic rates (net)	213	291	346	383	414	362	281	228
Taxes on final goods and services	767	1 334	1 214	1 431	1 872	1 342	775	300
Intermediate taxes	287	464	473	538	727	451	294	172
Total	1 267	2 088	2 033	2 351	3 013	2 156	1 350	701
Income after cash benefits and all taxes	3 152	7 377	6 326	6 919	9 320	6 210	3 665	2 246
Benefits in kind								
Education	541	150	677	1 588	3 002	—	—	—
National health service	138	316	999	556	718	462	1 008	669
Housing subsidy	34	34	75	49	34	49	75	94
Travel subsidies	94	99	50	44	111	68	84	51
Other	4	23	63	86	63	1	—	—
Total	810	623	1 865	2 322	3 928	581	1 167	814
Final income	3 962	7 999	8 190	9 241	13 247	6 791	4 832	3 060
Average per household (numbers)								
Children	—	—	2.0	1.9	0.8	—	—	—
Adults	1.0	2.0	2.0	2.0	3.6	2.0	2.0	1.0
In full-time education	0.2	—	0.9	1.9	1.9	—	—	—
Economically active people	0.8	1.8	1.2	1.6	2.4	1.4	0.1	—
Retired people	—	—	—	—	—	0.2	1.7	1.0
Gini coefficients (per cent)								
Original income	*44.4*	*26.7*	*34.2*	*29.9*	*27.8*	*34.9*	*67.2*	*74.4*
Gross income	*33.6*	*24.3*	*26.2*	*24.9*	*24.3*	*31.0*	*27.7*	*22.9*
Final income	*32.1*	*26.6*	*23.9*	*20.2*	*19.6*	*30.7*	*22.1*	*19.3*

Average incomes, taxes and benefits by life-cycle categories, 1983

Alternative life-cycle categoreis

TABLE 8b

	Single adult aged 30 or over	Single adult with children	Married couple no children head aged 30–44	All house-holds
Number of households in the sample	*499*	*227*	*220*	*6 973*
Average per household (£ per year)				
Original income				
Wages and salaries	4 507	1 449	12 396	6 210
Other income	1 004	840	1 393	1 548
Total	5 512	2 289	13 789	7 757
Cash benefits				
Contributory				
Retirement pension	150	—	8	639
Sickness/injury-related	85	30	61	109
Unemployment benefit	57	19	68	67
Other	205	70	4	59
Non-contributory				
Supplementary benefit	140	1 037	73	217
Child benefit	—	604	1	217
Sickness/disablement-related	36	29	29	38
Other	129	695	75	196
Total	802	2 484	320	1 543
Gross income	6 313	4 773	14 109	9 300
Income tax (net)	1 060	176	2 367	1 292
National insurance contributions	313	102	905	446
Total	1 373	277	3 272	1 738
Disposable income	4 941	4 496	10 837	7 562
Indirect taxes				
Domestic rates (net)	279	295	360	318
Taxes on final goods and services	741	559	1 687	1 176
Intermediate taxes	272	269	566	429
Total	1 292	1 124	2 612	1 923
Income after cash benefits and all taxes	3 649	3 372	8 225	5 639
Benefits in kind				
Education	32	1 088	64	576
National health service	219	483	320	667
Housing subsidy	77	159	21	70
Travel subsidies	56	41	95	73
Other	2	169	7	33
Total	386	1 939	506	1 419
Financial income	4 035	5 312	8 731	7 058
Average per household (numbers)				
Children	—	1.7	—	0.7
Adults	1.0	1.0	2.0	2.0
In full-time education	—	1.3	—	0.6
Economically active people	0.8	0.4	1.8	1.2
Retired people	—	—	—	0.4
Gini coefficients (per cent)				
Original income	*46.9*	*69.7*	*27.1*	*49.1*
Gross income	*35.4*	*26.4*	*25.2*	*36.3*
Final income	*34.1*	*23.1*	*27.4*	*32.7*

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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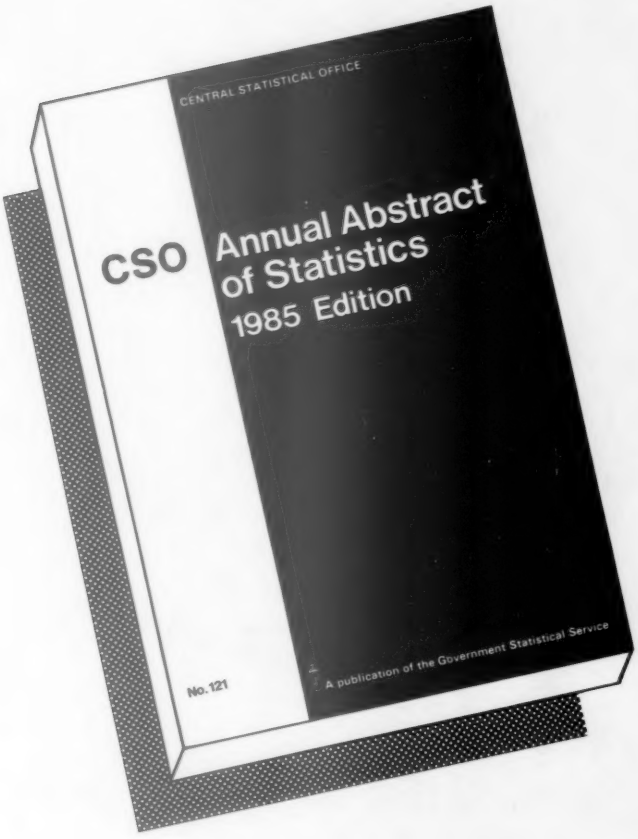

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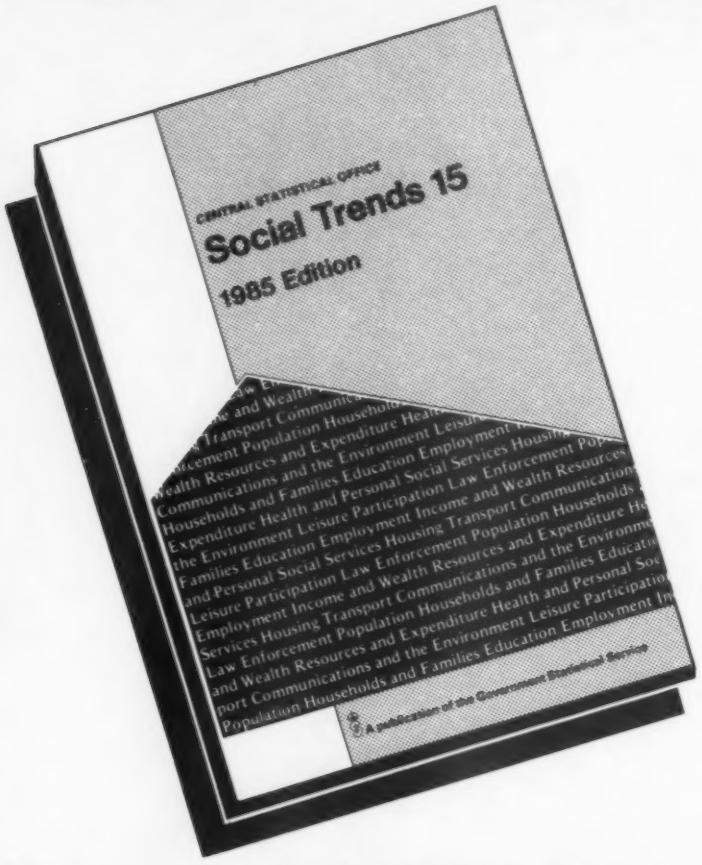

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